DEBATES

OF

THE SENATE

OF THE

DOMINION OF CANADA

1944-45

OFFICIAL REPORT

Editor: DAVID J. HALPIN (H. H. EMERSON, Acting)
Reporters: H. H. EMERSON, B. P. LAKE, F. BERRYMAN
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FIFTH SESSION—NINETEENTH PARLIAMENT—8 and 9 GEORGE VI

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

106—1½

SENATORS OF CANADA

ACCORDING TO SENIORITY

JANUARY 31st, 1945

THE HONOURABLE THOMAS VIEN, SPEAKER

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
ERNEST D. SMITH	Wentworth	Winona, Ont.
JAMES J. DONNELLY	South Bruce	Pinkerton, Ont.
CHARLES PHILIPPE BEAUBIEN	Montarville	Montreal, Que.
CHARLES E. TANNER	Pictou	Pictou, N.S.
THOMAS JEAN BOURQUE	Richibucto	Richibucto, N.B.
GEORGE HENRY BARNARD	Victoria	Victoria, B.C.
EDWARD MICHENER	Red Deer	Calgary, Alta.
WILLIAM JAMES HARMER	Edmonton	Edmonton, Alta.
GERALD VERNER WHITE, C.B.E.	Pembroke	Pembroke, Ont.
SIR THOMAS CHAPAIS, K.B.	Grandville	Quebec, Que.
JOHN ANTHONY MCDONALD	Shediac	Shediac, N.B.
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.
SIR ALLEN BRISTOL AYLESWORTH, P.C. K.C.M.G.	North York	Toronto, Ont.
WILLIAM ASHBURY BUCHANAN	Lethbridge	Lethbridge, Alta.
ARTHUR BLISS COPP, P.C.	Westmorland	Sackville, N.B.
JOHN PATRICK MOLLOY	Provencher	Winnipeg, Man.
DANIEL E. RILEY	High River	High River, Alta.
WILLIAM H. MCGUIRE	East York	Toronto, Ont.
DONAT RAYMOND	De la Vallière	Montreal, Que.
GUSTAVE LACASSE	Essex	Tecumseh, Ont.
WALTER E. FOSTER, P.C.	Saint John	Saint John, N.B.

April 4. 1945
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SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
CAIRINE R. WILSON	Rockcliffe	Ottawa, Ont.
JAMES MURDOCK, P.C.	Parkdale	Ottawa, Ont.
JOHN EWEN SINCLAIR, P.C.	Queen's	Emerald, P.E.I.
JAMES H. KING, P.C.	Kootenay East	Victoria, B.C.
ARTHUR MARCOTTE	Ponteix	Ponteix, Sask.
ALEXANDER D. MCRAE, C.B.	Vancouver	Vancouver, B.C.
CHARLES COLQUHOUN BALLANTYNE, P.C.	Alma	Montreal, Que.
WILLIAM HENRY DENNIS	Halifax	Halifax, N.S.
JOHN ALEXANDER MACDONALD	Richmond—West Cape Breton	St. Peters, Cape Breton, N.S.
LUCIEN MORAUD	La Salle	Quebec, Que.
RALPH BYRON HORNER	Saskatchewan North	Blaine Lake, Sask.
WALTER MORLEY ASELTINE	West Central Saskatchewan	Rosetown, Sask.
THOMAS CANTLEY	New Glasgow	New Glasgow, N.S.
FELIX P. QUINN	Bedford-Halifax	Bedford, N.S.
JOHN L. P. ROBICHEAU	Digby-Clare	Maxwellton, N.S.
JOHN A. MACDONALD, P.C.	Cardigan	Cardigan, P.E.I.
DONALD SUTHERLAND, P.C.	Oxford	Ingersoll, Ont.
IVA CAMPBELL FALLIS	Peterborough	Peterborough, Ont.
GEORGE B. JONES, P.C.	Royal	Apohaqui, N.B.
ANTOINE J. LÉGER	L'Acadie	Moncton, N.B.
HENRY A. MULLINS	Marquette	Winnipeg, Man.
JOHN T. HAIG	Winnipeg	Winnipeg, Man.
EUGÈNE PAQUET, P.C.	Lauzon	St. Romuald, Que.
WILLIAM DUFF	Lunenburg	Lunenburg, N.S.
JOHN W. DE B. FARRIS	Vancouver South	Vancouver, B.C.
ADRIAN K. HUGESSEN	Inkerman	Montreal, Que.
NORMAN P. LAMBERT	Ottawa	Ottawa, Ont.
DUNCAN MCL. MARSHALL	Peel	Toronto, Ont.
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.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
EDOUARD CHARLES ST-PÈRE	De Lanaudière	Montreal, Que.
SALTER ADRIAN HAYDEN	Toronto	Toronto, Ont.
NORMAN MCLEOD PATERSON	Thunder Bay	Fort William, Ont.
WILLIAM JAMES HUSHION	Victoria	Westmount, Que.
JOSEPH JAMES DUFFUS	Peterborough West	Peterborough, Ont.
WILLIAM DAUM EULER, P.C.	Waterloo	Kitchener, Ont.
LÉON MERCIER GOUIN	De Salaberry	Montreal, Que.
THOMAS VIEN (Speaker)	De Lorimier	Outremont, Que.
PAMPHILE REAL DUTREMBLAY	Repentigny	Montreal, Que.
WILLIAM RUPERT DAVIES	Kingston	Kingston, Ont.
JOSEPH J. BENCH	Lincoln	St. Catharines, Ont.
JAMES PETER MCINTYRE	Mount Stewart	Mount Stewart, P.E.I.
GORDON PETER CAMPBELL	Toronto	Toronto, Ont.
WISHART MCL. ROBERTSON	Shelburne	Halifax, N.S.
JOHN FREDERICK JOHNSTON	Central Saskatchewan	Bladworth, Sask.
T. D. BOUCHARD	The Laurentides	St. Hyacinthe, Que.
ARMAND DAIGLE	Mille Iles	Montreal, Que.
J. A. LESAGE	The Gulf	Quebec, Que.
CYRILLE VAILLANCOURT	Kennebec	Levis, Que.
JACOB NICOL	Bedford	Sherbrooke, Que.

SENATORS OF CANADA

ALPHABETICAL LIST

JANUARY 31st, 1945

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.
BOUCHARD, TELESPHORE D.	The Laurentides	St. Hyacinthe, Que.
BOURQUE, T. J.	Richibucto	Richibucto, N.B.
BUCHANAN, W. A.	Lethbridge	Lethbridge, Alta.
CALDER, J. A., P.C.	Saltcoats	Regina, Sask.
CAMPBELL, G. P.	Toronto	Toronto, Ont.
CANTLEY, THOMAS	New Glasgow	New Glasgow, N.S.
CHAPAIS, SIR THOMAS, K.B.	Grandville	Quebec, Que.
COPP, A. B., P.C.	Westmorland	Sackville, N.B.
DAIGLE, ARMAND	Mille Isles	Montreal, Que.
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.
DUTREMBLAY, PAMPHILE RÉAL	Repentigny	Montreal, Que.
EULER, W. D., P.C.	Waterloo	Kitchener, Ont.
FAFARD, J. F.	De la Durantaye	L'Islet, Que.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
FALLIS, IVA CAMPBELL	Peterborough	Peterborough, Ont.
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.
HAIG, JOHN T.	Winnipeg	Winnipeg, Man.
HARDY, A. C., P.C.	Leeds	Brockville, Ont.
HARMER, W. J.	Edmonton	Edmonton, Alta.
HAYDEN, S. A.	Toronto	Toronto, Ont.
HORNER, R. B.	Saskatchewan North	Blaine Lake, Sask.
HOWARD, C. B.	Wellington	Sherbrooke, Que.
HUGESSEN, A. K.	Inkerman	Montreal, Que.
HUSHION, W. J.	Victoria	Westmount, Que.
JOHNSTON, J. FREDERICK	Central Saskatchewan	Bladworth, Sask.
JONES, GEORGE, B., P.C.	Royal	Apohaqui, N.B.
KING, J. H., P.C.	Kootenay East	Victoria, B.C.
LACASSE, G.	Essex	Tecumseh, Ont.
LAMBERT, NORMAN P.	Ottawa	Ottawa, Ont.
LÉGER, ANTOINE J.	L'Acadie	Moncton, N.B.
LESAGE, J. A.	The Gulf	Quebec, Que.
MACDONALD, J. A.	Richmond—West Cape Breton	St. Peters, Cape Breton, N.S.
MACDONALD, JOHN A., P.C.	Cardigan	Cardigan, P.E.I.
MACLENNAN, DONALD	Margaree Forks	Margaree Forks, N.S.
MARCOTTE, A.	Ponteix	Ponteix, Sask.
MARSHALL, DUNCAN McL.	Peel	Toronto, Ont.
McDONALD, J. A.	Shediac	Shediac, N.B.
McGUIRE, W. H.	East York	Toronto, Ont.
McINTYRE, JAMES P.	Mount Stewart	Mount Stewart, P.E.I.
McRAE, A. D., C.B.	Vancouver	Vancouver, B.C.
MICHENER, E.	Red Deer	Calgary, Alta.
MOLLOY, J. P.	Provencher	Winnipeg, Man.
MORAUD, L.	La Salle	Quebec, Que.
MULLINS, HENRY A.	Marquette	Winnipeg, Man.
MURDOCK, JAMES, P.C.	Parkdale	Ottawa, Ont.
NICOL, JACOB	Bedford	Sherbrooke, Que.
PAQUET, EUGÈNE, P.C.	Lauzon	St. Romuald, Que.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
PATERSON, N. McL.	Thunder Bay	Fort William, Ont.
QUINN, FELIX P.	Bedford-Halifax	Bedford, N.S.
RAYMOND, D.	De la Vallière	Montreal, Que.
RILEY, D. E.	High River	High River, Alta.
ROBERTSON, W. McL.	Shelburne	Halifax, N.S.
ROBICHEAU, J. L. P.	Digby-Clare	Maxwellton, N.S.
SINCLAIR, J. E., P.C.	Queen's	Emerald, P.E.I.
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.
VAILLANCOURT, CYRILLE	Kennebec	Levis, Que.
VIEN, THOMAS (Speaker)	De Lorimier	Outremont, Que.
WHITE, G. V., C.B.E.	Pembroke	Pembroke, Ont.
WILSON, CAIRINE R.	Rockcliffe	Ottawa, Ont.

SENATORS OF CANADA

BY PROVINCES

JANUARY 31st, 1945

ONTARIO—24

	SENATORS	POST OFFICE ADDRESS
	THE HONOURABLE	
1	ERNEST D. SMITH	Winona.
2	JAMES J. DONNELLY	Pinkerton.
3	GERALD VERNER WHITE, C.B.E.	Pembroke.
4	ARTHUR C. HARDY, P.C.	Brockville.
5	SIR ALLEN BRISTOL AYLESWORTH, P.C., K.C.M.G.	Toronto.
6	WILLIAM H. MCGUIRE	Toronto.
7	GUSTAVE LACASSE	Tecumseh.
8	CAIRINE R. WILSON	Ottawa.
9	JAMES MURDOCK, P.C.	Ottawa.
10	DONALD SUTHERLAND, P.C.	Ingersoll.
11	IVA CAMPBELL FALLIS	Peterborough.
12	NORMAN P. LAMBERT	Ottawa.
13	DUNCAN MCL. MARSHALL	Toronto.
14	SALTER ADRIAN HAYDEN	Toronto.
15	NORMAN MCLEOD PATERSON	Fort William.
16	JOSEPH JAMES DUFFUS	Peterborough.
17	WILLIAM DAUM EULER, P.C.	Kitchener.
18	WILLIAM RUPERT DAVIES	Kingston.
19	JOSEPH J. BENCH	St. Catharines.
20	GORDON PETER CAMPBELL	Toronto.
21		
22		
23		
24		

QUEBEC—24

	SENATORS	ELECTORAL DIVISION	POST OFFICE ADDRESS
	THE HONOURABLE		
1	CHARLES PHILIPPE BEAUBIEN	Montarville	Montreal.
2	SIR THOMAS CHAPAIS, K.B.	Grandville	Quebec.
3	DONAT RAYMOND	De la Vallière	Montreal.
4	CHARLES C. BALLANTYNE, P.C.	Alma	Montreal.
5	LUCIEN MORAUD	La Salle	Quebec.
6	EUGÈNE PAQUET, P.C.	Lauzon	St. Romuald.
7	ADRIAN K. HUGESSEN	Inkerman	Montreal.
8	J. FERNAND FAFARD	De la Durantaye	L'Islet.
9	CHARLES BENJAMIN HOWARD	Wellington	Sherbrooke.
10	ELIE BEAUREGARD	Rougemont	Montreal.
11	ATHANASE DAVID	Sorel	Montreal.
12	EDOUARD CHARLES ST-PERE	De Lanaudière	Montreal.
13	WILLIAM JAMES HUSHION	Victoria	Westmount.
14	LÉON MERCIER GOUIN	De Salaberry	Montreal.
15	THOMAS VIEN (Speaker)	De Lorimier	Outremont.
16	PAMPHILE RÉAL DUTREMBLAY	Repentigny	Montreal.
17	TELESPHORE DAMIEN BOUCHARD	The Laurentides	St. Hyacinthe.
18	ARMAND DAIGLE	Mille Iles	Montreal.
19	JOSEPH ARTHUR LESAGE	The Gulf	Quebec.
20	CYRILLE VAILLANCOURT	Kennebec	Levis.
21	JACOB NICOL	Bedford	Sherbrooke.
22			
23			
24			

NOVA SCOTIA—10

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

NEW BRUNSWICK—10

	THE HONOURABLE	
1	THOMAS JEAN BOURQUE	Richibucto.
2	JOHN ANTHONY MCDONALD	Shediac.
3	FRANK B. BLACK	Sackville.
4	ARTHUR BLISS COPP, P.C.	Sackville.
5	WALTER E. FOSTER, P.C.	Saint John.
6	GEORGE B. JONES, P.C.	Apohaqui.
7	ANTOINE J. LÉGER	Moncton.
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PRINCE EDWARD ISLAND—4

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

BRITISH COLUMBIA—6

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

MANITOBA—6

THE HONOURABLE	
1 JOHN PATRICK MOLLOY	Winnipeg.
2 HENRY A. MULLINS	Winnipeg.
3 JOHN T. HAIG	Winnipeg.
4 A. L. BEAUBIEN	St. Jean Baptiste.
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 J. FREDERICK JOHNSTON	Bladworth.

ALBERTA—6

THE HONOURABLE	
1 EDWARD MICHENER	Calgary.
2 WILLIAM JAMES HARMER	Edmonton.
3 WILLIAM ASHBURY BUCHANAN	Lethbridge.
4 DANIEL E. RILEY	High River.
5 ARISTIDE BLAIS	Edmonton.
6	

CANADA

The Debates of the Senate

OFFICIAL REPORT

THE SENATE

Speaker: Hon. THOMAS VIEN

Thursday, January 27, 1944.

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

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

Prayers.

OPENING OF THE SESSION

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

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

Honourable Members of the Senate:

Members of the House of Commons:

The war is now in its fifth year. The coming months will witness decisive battles. They will demand a supreme effort on the part of all nations united in the cause of freedom.

It is true that the military situation is better than it was a year ago, and that co-operation among the United Nations is closer than at any time in the past. At Washington, at Quebec, at Moscow, at Cairo and at Teheran, military plans for the coming campaigns were fully co-ordinated. Foundations were also laid for a united approach to the problems of transition from war to peace. The improved military situation does not, however, necessarily mean an early end of the war. Hostilities may continue for a long time in Europe, as well as in the Far East. The German army is still very strong. There are no indications of any general deterioration of German resistance. Germany herself is protected by a vast outwork of conquered territory. She has been fortifying herself against invasion since the beginning of the war. Until the German army has been defeated, the Allied nations cannot count upon an assured victory in Europe. Until the Allied naval forces have grappled successfully with the main Japanese fleet there can be no assurance of an end to the war against Japan. Future operations will involve bitter fighting and heavy losses.

The winning of the war clearly remains the first of all objectives. My ministers believe it is their duty to see that Canada's war effort is firmly maintained until the enemy is defeated in Europe and in Asia. They believe the Government's primary task, and the primary duty of the Canadian people, is to concentrate on the prosecution of the war. Our fighting men must be assured that there will be no diversion from this vital task and no relaxation of Canada's war effort. Till the war is won, the policies of my Government will continue to be shaped to that end.

Our armed forces at sea, on land and in the air have added lustre to the name of Canada. The armed might of the United Nations has been strengthened by Canadian mutual aid. In the combined Allied assault upon the Nazi fortress, all branches of the armed forces will have still heavier responsibilities.

While giving to the needs of the war precedence over all else, my ministers are resolved that, so far as the future can be foreseen, Canada will be in a position to meet the difficult situations which will have to be faced when victory is won.

As occupied countries are liberated from the enemy, it will be necessary to provide for the relief of destitute populations, and for the rehabilitation of devastated areas in those countries which have borne the brunt of the terror and destruction of war. A measure to extend the principle of mutual aid so as to provide for relief, as well as for materials of war, will be submitted for your approval.

Canada's prosperity and the well-being of her people are bound up with the restoration and expansion of world trade. Export markets are essential to the efficient employment of vast numbers of Canadians. Larger imports are needed to raise the standard of living. In accordance with the principles of the Atlantic Charter, the arrangements required to clear the channels of trade and promote the flow of goods among all nations after the war are being explored with other countries. Discussions will be advanced as rapidly as the exigencies of war will permit.

The revival of world trade and prosperity after the war will depend upon the speedy recovery of the occupied countries. During the period of transition, the provision of international relief will help to maintain full employment of Canadian manpower and resources.

My ministers believe that the time has come when all the nations now united in the common purpose of winning the war should seek unitedly to ensure an enduring peace. The dangers of future aggression can be removed, and world security attained, only by a general international organization of peace-loving nations. You will accordingly be invited to approve of Canadian participation in the establishment of an international organization to further national security through international co-operation.

While the post-war objective of our external policy is world security and general prosperity, the post-war objective of our domestic policy is social security and human welfare.

In the opinion of my ministers plans for the establishment of a national minimum of social security and human welfare should be advanced as rapidly as possible. Such a national minimum contemplates useful employment for all who are willing to work; standards of nutrition and housing adequate to ensure the health of the whole population; and social insurance against privation resulting from unemployment, from accident, from the death of the bread-winner, from ill health and from old age.

Post-war planning falls naturally into three broad fields: preparation for the demobilization, rehabilitation and re-establishment in civil life of the men and women in the armed forces; the reconversion of the economic life of the nation from a war-time to a peace-time basis, and its reconstruction in a manner which will provide opportunities for useful employment for all who are willing and able to work; and the provision of insurance against major economic and social hazards.

A broad programme has already been developed for the re-establishment of veterans of the present war, and for the care of disabled veterans and the dependents of our fighting men and merchant seamen. You will be asked to approve a measure to provide war service gratuities for all who have served in the armed forces, and also measures to supplement the existing rehabilitation programme.

The maintenance of full employment will require, in the period of transition from war to peace, a rapid and efficient conversion of war industries, the enlargement of markets at home and abroad, intensified research into new uses of our natural resources, programmes of national and regional development, including housing and community planning.

Suitable peace-time uses for war plants are being sought, and plans are being made for their speedy conversion. To assist in the conversion of war plants and in the development of small and medium-scale industrial enterprises, the provision of additional credit facilities, for both fixed and working capital, will be required. To meet this need, your approval will be sought for the establishment of an Industrial Development Bank as a subsidiary of the Bank of Canada. Expenditures on developmental work, in preparation for the transition of industry from war to peace, will be encouraged by suitable tax modifications.

To assist in developing post-war export markets for primary and secondary industries, a measure will be submitted to provide for the insurance or guarantee of export credits, and steps are being taken to expand the trade commissioner service abroad.

Provision will be made to expand research activities.

A measure to amend and supplement existing housing legislation will be introduced.

A considerable measure of social security is already provided under federal and provincial legislation, but the working out of a comprehensive national scheme, in which federal and provincial activities will be integrated and which will include nation-wide health insurance, will require further consultation and close co-operation with the provinces. My ministers will welcome opportunities for such consultation.

When suitable agreements are reached with the provinces, my ministers will be prepared to recommend measures to provide for federal assistance in a nation-wide system of health insurance, and for a national scheme of contributory old age pensions on a more generous basis than that at present in operation.

The family and the home are the foundation of national life. To aid in ensuring a minimum of well-being to the children of the nation and to help gain for them a closer approach to equality of opportunity in the battle of life, you will be asked to approve a measure making provision for family allowances.

My ministers believe that the time is rapidly approaching when a minister of the Crown should be responsible for each of the three broad fields of post-war planning. You will accordingly be asked to approve the establishment of the following departments of government:

(1) A Department of Veterans' Affairs to have charge of the rehabilitation and re-establishment of members of the armed forces, and the administration of veterans' pensions and allowances;

(2) A Department of Reconstruction to promote and co-ordinate planning for national development and post-war employment; and

(3) A Department of Social Welfare to organize and to assist in administering activities of the Federal Government in the fields of health and social insurance.

Underlying efforts for the winning of the war and the solution of post-war problems is the necessity of preventing the inflationary effects of war. My ministers believe that to prevent inflation and to safeguard a basic standard of living it remains necessary to maintain the price ceiling and stabilization of wages and salaries.

To ensure economic stability for agriculture, you will be asked to make provision for a price floor for staple farm products.

Among other matters to which your attention will be directed will be the revision of the Bank Act, and the provision of adequate facilities for the exercise of the franchise by men and women serving in the armed forces.

Members of the House of Commons:

You will be asked to make financial provision for the effective prosecution of the war and for other necessary services.

Honourable Members of the Senate:

Members of the House of Commons:

I express, I know, the thoughts of all Canada when I say with what pride and admiration we have followed the exploits of our armed forces. At sea, on land and in the air, the fighting men

of Canada, wherever they have served, have displayed the highest courage, endurance and skill. I give them your assurance that their lives are more precious to their country than all else, and that it is our supreme aim to ensure their early and victorious return to their homeland.

As I invite your consideration of the very difficult problems which will engage your attention in this momentous year, I pray that Divine Providence may guide and bless your deliberations.

The House of Commons withdrew.

His Excellency the Governor General was pleased to retire.

The sitting of the Senate was resumed.

RAILWAY BILL

FIRST READING

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

CONSIDERATION OF HIS EXCELLENCY'S SPEECH

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

COMMITTEE ON ORDERS AND PRIVILEGES

Hon. Mr. KING moved:

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

The motion was agreed to.

COMMITTEE OF SELECTION

Hon. Mr. KING moved:

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

The motion was agreed to.

EMERGENCY SITTINGS OF THE SENATE

MOTION

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

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

The motion was agreed to.

The Senate adjourned until Tuesday, February 1, at 8 p.m.

THE SENATE

Tuesday, February 1, 1944.

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

Prayers and routine proceedings.

THE LATE SENATORS PREVOST, BLONDIN, LITTLE AND MacARTHUR

TRIBUTES TO THEIR MEMORY

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, I deeply regret to inform this House that during the adjournment, between July 24 last and our re-assembling here on January 26, four of our colleagues in this Chamber have passed to the great beyond.

The first to go was the Honourable Senator Prévost, who died on October 13. The senator represented the constituency of Mille Iles. He was born of French-Canadian parentage, was educated in Montreal and later pursued his studies in Paris and Rome. By profession he was a journalist. He interested himself in municipal organizations and in charitable and patriotic activities. He was elected to the House of Commons in 1917, and again in 1921, 1925 and 1926. He was summoned to this Chamber on June 3, 1930.

Senator Prévost was punctilious in his attendance in this Chamber. He was greatly liked for his modesty, and for his ability to express himself clearly in debate and in committee.

Senator Blondin died on October 29, within a few days of the passing of Senator Prévost. Senator Blondin was born in the province of Quebec, and educated at Laval University. He took an interest in municipal affairs, having at one time been an alderman of the town of Grand'Mère. And for a period he was clerk of the Circuit Court in the County of Champlain. Our late colleague was elected to the House of Commons in 1908, and re-

elected in 1911; and at the 1911 session he was elected Deputy Speaker of the House of Commons. In 1914 he became a Privy Councillor, taking the portfolio then known as Inland Revenue. The next year he was appointed Secretary of State; and, in 1917, Postmaster-General. Two or three months after that appointment he asked to be relieved of his ministerial duties in order that he might go back to Quebec to raise a regiment; and when he had succeeded in this objective he took his regiment overseas. He returned to Canada in 1918, and in that year was summoned to the Senate. When the Meighen Government assumed office, he once again became Postmaster-General. As honourable members well know, he served as Speaker of the Senate from 1930 to 1935. He will be long remembered here for the courtesy and dignity which he unfailingly displayed in that office.

Senator Little passed away on December 21. He was born in London, Ontario, of English-Canadian parentage, and received his education at the London Collegiate Institute and the University of Toronto. He engaged in commercial and agricultural pursuits. In the general election of 1925 he was a Liberal candidate for the city of London; and in 1928 he was summoned to the Senate. The late Senator had a personality that made friends of all with whom he came in contact. This probably is illustrated by the fact that although he was officially known as Senator Little, to his friends he was Sidney or Sid. Little. We on this side of the Chamber will remember him for the proficiency and patience he exhibited as Whip of our party. He was at all times most attentive to the work of the Senate and of the committees on which he was elected to act.

Finally, I wish to refer to the passing of Senator Creelman MacArthur, of Prince Edward Island, who died on December 29. He was born in 1874, of Scotch parentage. He engaged in a number of mercantile enterprises, and served for many years as a director of the Central Trust Company of Canada, Vice-President of the M. F. Shurman Company, Limited, and President of Brace McKay & Company Limited. Our late colleague took an active part in municipal and provincial politics. He was elected to the Legislature of Prince Edward Island in 1919, and re-elected in 1923. Two years later he was summoned to the Senate. Senator MacArthur had strong views on matters pertaining to his province, and when occasion arose he did not hesitate to express them.

I have but briefly sketched some of the activities of our departed friends; and I would conclude by expressing on behalf of my fellow-members and myself our deep and sincere sympathy to the bereaved widows and families.

Hon. C. C. BALLANTYNE: Honourable senators, since Parliament adjourned a few months ago, the Senate of Canada has sustained a severe loss through the demise of four of our outstanding colleagues: Senators, Blondin, Prevost, Little and MacArthur. Their passing is greatly to be regretted.

Senator Blondin, early in life, took a keen interest in public affairs not only in his native province of Quebec, but in the Dominion as well. During his long public career he was prominent and effective in both Houses of Parliament. He exhibited at all times a broad tolerance and a keen desire to promote throughout the Dominion a spirit of good will, irrespective of race or creed, and did much to make this Canada of ours a united nation.

Senator Blondin naturally was always proud of his native province, but at the same time he firmly believed that Canada should always maintain her attachment to the Crown and her prominent position as the senior Dominion, within the Commonwealth of Nations, for he realized that such connection has given us in the past and assures us for the future complete freedom.

Because of his oratorical gifts and charming personality the late Senator Blondin was frequently sought after as a public speaker.

Everyone on this side of the Chamber joins with the honourable leader (Hon. Mr. King) and those associated with him in expressing our deepest sympathy to Madame Blondin and her family in their great bereavement.

I was not as well acquainted with the late Senator Prévost as I was with Senator Blondin, but I had a great admiration for him and was impressed with his retiring manner and wide culture. Senator Prévost was born and spent most of is life in his home city of St. Jérôme, which nestles amidst the beautiful Laurentian hills. The late senator, a gifted writer, edited and published a well-known and widely read French Canadian publication.

During our late colleague's lifetime he did much to promote and further the interests of not only his native province, but of the Dominion as well. His scholarly writings always reflected his sterling character, and his tolerance and good will towards his fellow Canadians.

All on this side of the Chamber desire to be associated with the honourable leader in conveying to his family our deepest sympathy.

I am sure that I am expressing the deep sorrow of every honourable senator when I say we were greatly shocked to learn that our much esteemed colleague the late Senator Little had passed away so suddenly, and at the

comparatively early age of 58 years. Senator Little, as the honourable leader has pointed out, was born and brought up in the city of London. He came from a distinguished family, and occupied the highest position that the citizens of London could offer him, that of mayor. He was active at all times in charitable and educational work in his native city, and did his utmost for the benefit of its people.

Senator Little occupied the important position of chief Liberal whip in this Chamber, and his relations with the whip on this side were always most cordial. All of us on this side of the Chamber desire to be associated with the honourable leader opposite in expressing our deepest sympathy to our late colleague's family.

The passing of the late Senator MacArthur was quite unexpected, I am sure, by honourable senators, as he had not yet reached the allotted span of life, threescore and ten.

The late senator devoted many years to important affairs, as a member of the House of Commons and of this Chamber. He was very successful in business, and did much for his native province, Prince Edward Island. Unlike many men engaged in business, after he had made a success in this sphere he gave a great deal of his time to furthering and promoting the interests of not only his native province, but of Canada as a whole.

All the members on this side of the Chamber desire to be associated with the honourable leader and the members on the other side in expressing our deepest sympathy to the bereaved family.

Hon. P. R. DuTREMBLAY (Translation): I should like to join in the tributes of sympathy so aptly voiced by those who have spoken before me in connection with the death of our four colleagues, Honourable Senators Little, MacArthur, Blondin and Prévost. Each of them played a prominent part in his own sphere; each one, in his respective environment, was useful to his country, his province, and his town. The death of those distinguished colleagues is a great loss to the Senate as well as to Canada.

I should like to refer especially to Senator Blondin and Senator Prévost, whom I knew better, since they were senators from my own province. I became acquainted with Senator Blondin in my college days, in 1892 or 1893—he was a few years older than I—and even then he gave indications that he would rise to a high position. Later, I met him in politics. He was his party's candidate in the constituency of Champlain, where I was born. We did not hold the same political views; indeed, on matters that were important at the time he had political opinions diametrically opposed to mine, but I must say that I believe the honourable Mr. Blondin was sincere and felt that the policies he advocated were in the best interests of his fellow citizens. He became a minister and later, Mr. Speaker, he occupied the honourable and prominent position which you now hold; and we all know that he fulfilled his duties with much credit to himself and to the satisfaction of all honourable senators. France made him a Commander of the Legion of Honour. I wish to avail myself of this opportunity to tender my heartfelt sympathy to his family.

As regards the honourable Jules-Edouard Prévost, my deskmate, I must say that he was a great newspaperman, an outstanding educator, a good member of Parliament and a good senator. In his younger days he was the editor of a newspaper at St. Jérôme. His editorials on matters connected with Canadian politics in general were read and followed with much attention by the leaders of that period, and quoted by the great newspapers of this country. For nearly fifty years he played a prominent part in the province of Quebec. He waged a brilliant fight on behalf of public education in that province; and, with many others, he advocated compulsory education. Fortunately for him, a few months before his death he had at the public education board the privilege of moving a proposal recommending compulsory education in Quebec. He was a most prominent educator, a friend of teachers, of the modest young women who teach in rural schools, and in that connection I am sure that the citizens of his province will ever treasure a most grateful memory of Mr. Prévost. Our departed colleague, who, as I have said, was a great educator and a prominent newspaperman, was also a good and devoted member of Parliament, and during many years he upheld here the interests of his constituents. In this Chamber, honourable members, you were able to appreciate him as a senator; and we may, in tendering our most sincere sympathy to his family, tell his children and his near relatives that through his demise Canada loses a great citizen, and the Senate a faithful and watchful legislator. It is a great loss for Canada.

Hon. A. C. HARDY: Honourable senators, it is very seldom that I rise to speak on occasions of this kind, but at this time I wish to pay tribute in a few words to my very dear friend, Senator Little, who from the time he was appointed to the Senate was my roommate, and whom, with his family, I had known for over forty years. As is natural, in my very close association with Senator Little I

got to know him intimately. I need not repeat the incidents of his career. They have been ably dealt with here to-night.

Senator Little was a strong party man, but he never allowed himself to be carried away by partisan feelings nor to harbour political animosity. For a good many years, as honourable members know, he acted as whip on this side of the House, and I do not think anyone will question my statement that he had as many friends on the other side of the House as on this.

From his early youth, along with other members of his family, Senator Little took a great interest in all kinds of public affairs. He began, as was natural, in his native town, and held several high offices, including the chairmanship of one public utility for many years.

Senator Little was generous to a fault. During the last war he and the members of his family made large contributions of time, and in other ways forwarded the war effort. Since then he and his brothers have done a great deal to assist Western University, in the city of London, an institution in which he retained an interest until the last.

Although Senator Little was a man of strong feelings, I do not think I ever heard him say an unkind word of his opponents or of any one else. He was always more than generous with his time. From the beginning of his career in the Senate I, as his room-mate, never knew him to fail to place himself at the disposal of people who came to him wanting to be introduced to this department or that, to ministers of the Crown or to others for purposes of business. No matter who these people might be, he aways took them under his wing and gave them every assistance possible.

Senator Little was a very useful member in committees, and I do not think any member of the Senate worked harder than he did. As the honourable the leader has said, he was known to everybody as Sid Little. That, I think, is a criterion of what people thought of the man. It was with great grief that I found him gone at the opening of this House.

Hon. EUGENE PAQUET (Translation): Honourable senators, my first words will be to pay tribute to the memory of our late colleagues, the Honourable Senators Creelman MacArthur, Edgar S. Little, Jules-Edouard Prévost and Pierre-Edouard Blondin.

I wish to express to their memory our gratitude for the services which they rendered to our institutions. The road to victory may be a little brighter, but there is still a long way to go and this will require all our energies. No matter how long and difficult the road may be, we have resolved, with the British people, to reach our goal. For this purpose we have pledged all our intellectual, industrial and human resources.

The death of Senator Pierre-Edouard Blondin, notary, who passed away at the age of 68, puts an end to the career of a prominent countryman who held several official posts in Canadian politics.

He entered the federal field in 1908. He joined the Borden cabinet in 1914 as Minister of Internal Revenue; he was appointed Secretary of State in 1915 and Postmaster General in 1917. Holding the rank of Lieutenant-Colonel, he organized the 258th Battalion for overseas service. He was summoned to the Senate in 1918. He was Postmaster General in the Meighen Government in 1920, and from 1930 to 1936 he was Speaker of the Senate.

In his own province Senator Blondin was a well-known and universally esteemed speaker. I had the opportunity to acquaint myself with his character and sterling qualities. His life was well filled, and he will go down in history as one of the most distinguished citizens of Canada. He was deeply attached to the ancestral traditions of his beloved race, of which he was very proud. So I wish to pay tribute to the memory of the late Senator Blondin, whom I knew for at least thirty-five years.

For eight long years, Senator Blondin, a courteous, energetic and forceful speaker, suffered from a cruel illness, which finally vanquished the valiant combatant.

Death laughs at plans and hopes and carries away its victims at the most unexpected moments. We recall the friendly clasp of the hand now stilled in death. These distinguished and worthy colleagues should be an inspiration to us.

Hon. W. A. BUCHANAN: Honourable senators, I feel that I should be false to my friendship with Senator Little if I did not pay tribute to his memory. I agree entirely with what the honourable senator from Brockville (Hon. Mr. Hardy) has said about him, but there is one aspect of his life which I think is well worth mentioning at this time. We sometimes think that men who are prominent in business and whose ambitions are largely devoted to the welfare of their own business, are neglectful of public affairs. The Little family has set an example to the rest of the country. The senator's father, at one time mayor of London, was one of those who promoted and participated in the building of the University of Western Ontario. Our esteemed and loved colleague followed in his father's footsteps as mayor of the same city, and a brother is to-day a member of the Board of Governors of Western University.

I mention this only to emphasize the point that if more of our citizens who are engaged in business and professional life would give as much attention to public affairs and community improvement as was given by the Little family of London, Canada would be much better off.

HON. ARTHUR MARCOTTE

WEDDING ANNIVERSARY FELICITATIONS

Hon. A. L. BEAUBIEN: Honourable senators, I wish to inform you that this is a very important anniversary for one of our distinguished colleagues. The honourable senator from Ponteix (Hon. Mr. Marcotte) is celebrating to-day his golden wedding. We are all pleased to find him and his charming wife in good health and still young. May I, on behalf of his colleagues from the West, and, I am sure, on behalf of every honourable member of this Chamber, extend to both of them our sincere wishes for continued good health and many more years of happiness.

Hon. SENATORS: Hear, hear.

Hon. ARTHUR MARCOTTE: Honourable senators, I sincerely thank my colleague from St. Jean Baptiste (Hon. Mr. Beaubien) for the kind references he has made to my wife and myself. What has just occurred here illustrates how, in life, happiness and tragedy are found side by side. No sooner had our expression of deep regret over the passing of some of our members been concluded, than good wishes for continued happiness were being extended to my wife and me.

For my family the last few days have been very happy ones. I have received many congratulations and good wishes. But let me assure you of one thing, honourable senators: none of these are dearer to me, nor will be more warmly cherished in my memory, than the sentiments just expressed in this Chamber.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

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

Hon. J. FREDERICK JOHNSTON moved that an Address be presented to His Excellency the Governor General to offer the humble thanks of this House to His Excellency for the gracious speech which he has been pleased to make to both Houses of Parliament.

He said: Honourable senators, I appreciate the honour of having my name connected with this motion, and I offer my sincere thanks to the honourable leader of the House (Hon. Mr. King). I appreciate also the kind reception accorded me by members on both sides of the Senate after my introduction here a few days ago. I realize that one in the position I am in at this moment is but an instrument to be used in passing on the honour. In this case the honour is intended for the great agricultural province of Saskatchewan, from which I come, and the good people of my old constituency who for so long gave to me their loyal support. I am particularly gratified at the honour done the province of Saskatchewan and its residents.

The basic industry of Saskatchewan, as all honourable senators well know, is agriculture, and the chief branch of this industry in the province is the production of wheat. That being so, Saskatchewan was harder hit in the period of drought than either of the other two prairie provinces. As a consequence of loss of crops in the years from 1929 to 1936 our farmers became very hard up, and thousands were forced to accept government assistance. During this period the provincial Government was not able to balance its budget. The Government did, however, get through the depression without repudiating any of its obligations, and to-day it is again showing surpluses instead of deficits in the public accounts.

If you were to go into the province of Saskatchewan to-day and talk to the local merchants, they would tell you that the farmers out there have more cash in their possession now than they ever had before. Probably this would not have been true to the same extent were it not for the fact that many commodities needed on the farms are not available. War conditions have forced the farmers of Saskatchewan to carry on with obsolete and, in many cases, almost broken-down machinery. People who can come through such a terrific depression as was suffered in this province, and once again fight their way back and up, as these people have done, are deserving of all honour.

Honourable senators, we are now in the fifth year of this war. I well remember the solemnity of the hour when honourable members of the House of Commons, of whom I was then one, were called upon to vote Canada into the war. That is a grave responsibility for any one to assume—the responsibility for taking action that it is known will lead to the sacrifice of the cream of our young manhood and womanhood, lives that are dear to all of us and that Canada can ill afford to lose. Canada did enter the war, and has now been prosecuting it for nearly four years and five months. In reference to the further prosecution of the war we find this passage in the Speech from the Throne:

> The winning of the war clearly remains the first of all objectives. My ministers believe it is their duty to see that Canada's war effort is

firmly maintained until the enemy is defeated in Europe and in Asia. They believe the Government's primary task, and the primary duty of the Canadian people, is to concentrate on the prosecution of the war. Our fighting men must be assured that there will be no diversion from this vital task and no relaxation of Canada's war effort. Till the war is won, the policies of my Government will continue to be shaped to that end.

Our war effort has attained gigantic proportions and has been a marvel to our friends and associates in arms. A glance at some figures will show how that war effort has expanded. The Canadian Navy, which before the war had a strength of some 1,700 men, has to-day more than 70,000, and it is expected that the total will go to 90,000 within the year. The Army's pre-war strength was 4,500, and its present strength is 470,000. In the Air Force, prior to our entry into the war, we had 4,000 men, and now there are 185,000. Enlistments in the women's branches of these services to date total more than 37,000. The present grand total of both men and women in the services therefore exceeds 762,000.

It is often interesting to know how we appear to others. Robert Burns said:

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

So by way of showing how the accomplishments of the Canadian Navy have impressed the editors of a well-known American publication, perhaps I may be permitted to read a few lines from an editorial that appeared in the Saturday Evening Post of August 21, 1943:

What most Americans don't realize, however, is that there were many desperate months when Canada stood between us and disaster.

Farther along:

The burden of protecting the freighters fell chiefly upon England and Canada. Britain, with a very limited amount of help from the Norwegian, Polish and Fighting French navies, supplied 51 per cent of the escort vessels for the trade convoys; the United States contributed 2 per cent, and litle Canada, amazingly, provided 47 per cent.

And a little farther on there is this statement:

Yet the fact remains that we probably would have lost the war if the Canadian Navy hadn't come through in a spectacular and heroic way.

I hope all honourable members heard those words, but I should like to read them again. They are at the beginning of a paragraph, the whole of which reads as follows:

Yet the fact remains that we probably would have lost the war if the Canadian Navy hadn't come through in a spectacular and heroic way. It is not surprising that Britain, with her great sea power and resources, should have been able to shoulder 51 per cent of the job. But it is one of the marvels of this war that Canada, an agricultural nation of less than 12,000,000 people, could have contributed 47 per cent of the vast fleet of fighting ships necessary to get the freighters across.

The editorial goes on:

How Canada accomplished such a feat is an epic that should be written in large letters. . . .

Once the Canadians had the design for the corvette and knew it was the answer, they set about building it in numbers that would shock the Nazi high command—if it knew. Large shipyards and small ones, even tiny boatyards whose experience had been limited to fishing boats and pleasure craft, responded in a way that made history. And husky young lads from the Prairie Provinces went down to the sea to man them. Canada made do.

Now the vast resources of the United States are being brought to bear on the U-boat problem in a larger way, and the ratio of escort craft provided by Britain, Canada and America may be changing. But Canada is still doing her part, and will continue to do so, we may be sure, until the day of peace. Is it any wonder, then, that the Canadian sailor may be just a trifle offended when his cousin from south of the border inquires with polite condescension: "Tell me, does Canada have a Navy."

Well, Canada has a Navy, and it has done remarkable work for Canada and her Allies.

Now I will deal with our war effort generally. The legal fraternity always seek to prove a case by calling impartial witnesses. I shall follow a similar course and present to you the testimony of certain world-renowned persons who know the magnitude of Canada's war effort. First I would quote Prime Minister Churchill. On August 31, 1943, he used these words:

I have also had the advantage of conferring with the Prime Minister of Canada, Mr. Mackenzie King, the experienced statesman who led the Dominion instantly and unitedly into the war. . . . The contribution which Canada has made to the combined effort of the British Commonwealth and Empire in these tremendous times has deeply touched the heart of the Mother Country and of all the other members of the family.

Next I cite Right Hon. Ernest Bevin, Minister of Labour in the British Cabinet. In a speech which he delivered on October 26, 1942, I find this passage:

I do not think there ever has been a time in history when the productive man-power of two countries has been dove-tailed as closely as those of Canada and Britain are now. . . . The weight and resiliency of Canada's output in the last two years—particularly during 1940, when we had not many friends—were a salvation to us.

On February 16, 1942, President Roosevelt expressed his appreciation of our war effort in the following terms:

The part that Canada is playing in the fight for the liberty of man is worthy of your traditions and ours. We, your neighbour, have been profoundly impressed by reports that have come to us setting forth the magnitude and nature of your effort as well as the valiant spirit which supports it.

That beautiful and gifted lady from China, Madame Chiang Kai-shek, who visited this capital on June 16, 1943, declared:

The accumulated heroism of your commandos, the large amount of foodstuffs and munitions which your country has sent to England, the manner in which you have utilized your air bases for training of Allied effort, and the fact that Canada has produced more for the war effort per capita than any other member of the United Nations, are indicative of Canada's will to victory.

Some tributes have been paid to the Prime Minister of this country. In this regard I desire to recall this paragraph from President Roosevelt's speech of February 16, 1942:

Yours are the achievements of a great nation. They require no praise from me—but they get that praise from me nevertheless. I understate the case when I say that we, in this country, contemplating what you have done and the spirit in which you have done it, are proud to be your neighbours.

And again:

Mr. King, my old friend, may I through you thank the people of Canada for their hospitality to all of us. Your course and mine have run so closely and affectionately during these many long years that this meeting adds another link to that chain.

Prime Minister Churchill on March 8, 1943, paid this tribute to our Chief Executive:

In the darkest days, Canada, under your leadership, remained confident and true. Now the days are brighter, and when victory is won you will be able to look back with just pride upon a record surpassed by none.

Having this testimony before us, I think honourable members will agree with me that we have every reason to be gratified with Canada's war effort and with the administration of that war effort up to the present time.

I pass now to the subject of inflation and price control. In this connection I desire to commend the Minister of Finance and the Chairman of the Wartime Prices and Trade Board for the work they have done. I consider it the duty of each one of us to assist in maintaining the price ceiling. I believe that inflation hits the farming community harder than any other class. Invariably in time of depression prices of farm commodities are the first to go down and the last to rise. To ensure economic stability for agriculture, the Speech from the Throne declares that provision will be made for a price floor for staple farm products. I am confident that this will assist the farmer over the period of falling prices at the conclusion of the war. It will be recalled that there was an alarming period of that kind at the close of the last war.

To maintain the price ceiling we have had to put up with certain quotas and restrictions. Our wartime experience in this respect may well cause us to wonder what would be the condition in this country if our C.C.F. friends were ever able to give effect to their so-called planned economy. The few quotas and restrictions of to-day would sink into insignificance compared with the full measure of control which they would put into effect.

Our farmers, like the members of our fighting forces and the workers in our munition factories and shipyards, are doing a grand job on the production line, even though handicapped by insufficient help and lack of implements.

Family allowances would greatly benefit large families, but of course the maximum payable to any family should be limited. This is as it should be. Government relief distributed in Saskatchewan during the drought period had a demoralizing effect on not only the recipient, but on the whole populace. A floor under the prices of farm products, coupled with family allowances, would obviate the necessity of again dispensing direct Government relief.

Reduction of tariffs and removal of restrictions on the free flow of trade would cheapen our cost of production and ensure us wider export markets.

Our first and all-important duty of the moment is to our armed forces. When the war is won, our duty and responsibility to those who have been in the front line does not terminate, but rather takes on new significance. To this end it is proposed to establish three new departments of Government:

1. A Department of Veterans' Affairs, to have charge of the rehabilitation and re-establishment of members of the armed forces, and the administration of veterans' pensions and allowances.

We should profit from the experience gained in dealing with these matters following the last war.

2. A Department of Reconstruction, to promote and co-ordinate planning for national development and post-war employment.

The scope given here need only be measured by our ability to pay.

3. A Department of Social Welfare, to organize and to assist in administering activities of the Federal Government in the fields of health and social insurance.

The health of our people is a matter of prime importance to all, and every effort should be made to improve and safeguard it.

Post-war planning falls into three broad fields. First, preparation for the demobilization, rehabilitation and re-establishment in civil life of the men and women in the armed forces; second, reconversion of the economic life of the nation from a wartime to a peacetime basis, and its reconstruction in a manner which will provide opportunities for useful

employment for all who are willing and able to work; and, third, the provision of insurance against major economic and social hazards.

A broad programme has already been developed for the re-establishment of veterans of the present war, and for the care of disabled veterans and the dependents of our fighting men and merchant seamen. The maintenance of full employment in the period of transition from war to peace will require a rapid and efficient conversion of our war industries and the enlargement of markets at home and abroad.

We had recently a distinguished visitor in the person of Lord Halifax. While here he made a speech that stirred up considerable comment. We had at the same time another distinguished Englishman, Lord De La Warr, Chairman of the Agricultural Research Council in Britain, who came for the purpose of getting first-hand information in regard to agriculture. Lord De La Warr addressed a joint meeting of Canadian Clubs in the city of Saskatoon, and in the course of his speech he made this comment on what Lord Halifax had said in Toronto:

> We must all be thinking of Lord Halifax's speech of Monday night. Few of us have yet seen it in full, certainly I have not. All that I would venture to say now therefore is that when considering it we should bear in mind the circumstances, present and future, of the world.
>
> The British Commonwealth of Nations has been a great experiment, an experiment in human freedom. It has stood many tests, including those of two world wars.
>
> But, if it is decided that closer and more definite contact on foreign policy and defence is needed, we must not think only of what is necessary to maintain or strengthen Britain or the Commonwealth. The issues are far larger than that. Indeed, the real and only issue is how shall we all be able to make our maximum contribution to world security.

That is Lord De La Warr's comment on and answer to Lord Halifax's Toronto speech. I leave it at that. Honourable senators, I hope I have not tired you. Before resuming my seat, I should like to refer to an old Greek proverb—I will ask the Greek scholars to pardon my pronunciation—"To kalon katechete;" or, in English, "Prove all things." St. Paul used those words in one of his epistles. But he added to them. He said: "Prove all things; hold fast that which is good." That was good philosophy in the days of Plato and Sophocles; it was good gospel in the days of St. Paul, and I think it is good politics to-day.

Some Hon. SENATORS: Hear, hear.

Hon. A. L. BEAUBIEN (Translation): Honourable senators, of all the events that took place during the prolonged recess of the Houses of Parliament, the one that concerns us most is, every one will admit, the Quebec conference.

The Old Capital witnessed the meeting of British Empire committees entrusted with the care of rounding up the common programme decided upon and implemented by all the nations of the Commonwealth. There, also, met President Roosevelt and Prime Minister Churchill, two political leaders well deserving the confidence and affection of every one. The measures adopted on that occasion were as momentous as the decisions arrived at in the course of the pre- and post-conference talks. If the citizens of the city of Quebec have reasons to rejoice in the fact that they have tendered hospitality to such illustrious men and their military and political advisers, all of Canada may well be proud of the honour conferred upon its citizens. Indeed, a few days after the conference ended, both Houses, together with the people of the capital city, had the opportunity of welcoming here, on Parliament Hill, the great American statesman who holds such a prominent place in Canadian hearts. Not only was it the first time that this President of the United States paid a visit to Ottawa, but it was also the first time that any head of the neighbouring republic visited our capital city.

This is a good omen, for we have very much in common with our neighbours, and we love them. Therefore, such a visit can only draw closer together the bonds of esteem and friendship uniting our two peoples. Our Prime Minister has often held conferences with the President. This time it was the President who came to us. Such an exchange of courtesies is bound to have happy results for the future.

The Quebec conference and the visit of President Roosevelt to Ottawa both took place at a time when the turn of military events was especially encouraging for the United Nations. The decisions arrived at in August last must have favourably affected the military operations that have taken place since. We may sometimes be tempted to consider that victory lies at the end of a long and arduous road. However, let us estimate the progress made since El Alamein and the success of the Russians since Stalingrad; let us consider the effects of the aerial onslaught against German towns on the morale of the population of Germany; let us not abstain from enumerating our successes after having staunchly faced the reverses inflicted on our forces by enemies whose sole ambition, for a number of years, has been to take advantage of our peaceful dispositions.

We must not forget the glorious part played by England in the defence of Western civilization and human freedom; nor must we forget the share of the other Dominions in the common resistance; and we must pledge immortal gratitude to the United States and

Russia for having thrown their tremendous weight on our side. However, let us remember also that Canada was among the first countries to join England and France in the defence of the valiant Polish people and to oppose brutal totalitarianism. In truth, Canada was one of the first countries of the globe to visualize the far-reaching significance of the present conflict. Acting in accordance, our people went all out into the struggle, because Canada's survival was in jeopardy, and they foresaw that an Axis victory would inevitably result in the darkest future and the lowering of all moral and social standards.

Canada devoted herself unreservedly to the cause she cherishes above all else. Thanks to wise guidance, she has given a splendid effort, which even the most wonderful accomplishments of our Allies fail to dim. Her conduct in this matter has not impaired national unity, although questions relating to peace and war had already given rise to a certain amount of dissension in the country. After four and a half years of war, harmony reigns in Canada because the Government pursued a sound policy and took into consideration the various ethnical elements of our population.

The preservation of national unity was a tremendous task. It was also necessary to safeguard the future and to keep a balanced economy. It can be said that, in spite of the changes wrought in our economy, its foundations remain sound and intact. Our finances are in good shape. The numerous bodies set up to insure the full measure of our war effort will still be useful after the war. We have every reason to believe that the various controls appointed to maintain the financial, economic and social stability of our nation have fulfilled their purpose. Is it not true, for instance, that inflation was the worst evil threatening the home front? Is it not equally true that, thus far, the Government has succeeded in warding off even the slightest symptoms of such a calamity? We ourselves have paid the expense involved by our share in the struggle; and when this drama of bloodshed comes to an end, we shall be debtors to no one else. Moreover, a number of boards, set up for the purpose of regulating production, exchange and consumption, will remain in existence, enriched by the precious knowledge they have acquired and fully experienced in the complex branches of industrial and commercial relations. After the war, when it is necessary for us to adjust our national and international trade according to our means, our aspirations and a decent standard of living, these bodies will supply us with guiding-posts and methods which will ease to an appreciable extent the transition from war to peace. Thus will many shocks and errors be avoided.

Agriculture, which is of such importance to Canada, especially in the West, will be in a much better position than after the war of 1914-1918. In those days, our farmers had tried to boost their incomes by adding more land to their estates. During the present war, however, they have attempted to free themselves from debt and to pay off the mortgages with which they were burdened; in other words, they have tried to consolidate their position. This effort was not made without sacrifice, but it came willingly from the heart. Honourable senators, the directors of a number of mortgage companies have given me confirmation of the statements I have just made.

Without doubt, the Canadian farmer in selling his products did not net the enormous profits prevalent during the first world war, but this time he made better use of his income. When restrictions on the production of agricultural machinery are lifted, our farmers will be in a position to renew their equipment with the most modern implements. If it is then necessary to feed part of Europe and Asia, they will be able to do their share nobly. The measures mentioned in the Speech from the Throne which are intended to benefit agriculture and to insure its stability may be new, but they are inspired by principles which Liberals have always recognized.

I should like to say how pleased I am with the social legislation which has been forecast. Whatever happens, it is a world transformed that will come out of this great trial. Individuals will be broadened; restrictions and privations will have instilled in all of us a deeper sense of solidarity. The people thirst after a distributive justice more in keeping with their conception of simple justice. The Government deserves praise for having understood that the new tendencies of public opinion coincide with needs which have always been felt, but which, until now, have always been met only a little at a time.

It is truly comforting to hear that our soldiers, when they return, will be able to count on obtaining stable and remunerative employment; that the women of the auxiliary services will not be neglected; that we shall smooth out the kinks in the transition from war industries to peacetime enterprises for our working men and women. The married women who helped their family with a second salary and who will return home after the war, will find that family allowances diminish to an appreciable extent the feeling of privation caused by the loss of

the second salary. Family allowances, advocated for a long time by sociologists as indispensable to the welfare of the home and the vitality of the population, could scarcely, in our country, have gone into effect before this time. The present war will at least have shown that if it is possible to find the funds needed to save the country, it should be equally possible to raise the money required for the security of the individual and of social groups. Unemployment insurance, health insurance, family allowances, all these measures will instil in the worker a sense of his own dignity as well as peace of mind and heart-felt contentment.

The contemplated amendments to the Old Age Pensions Act will very suitably complete the series of measures designed to increase the welfare of the Canadian population. The creation of three new departments to carry out the proposed laws and to turn the country back to peacetime occupations and customs indicates how comprehensive the programme of social rehabilitation will be after the war.

Everyone of you, honourable senators, knows the qualifications that distinguish our Prime Minister. A great minister in peace-time, he will prove to have been no less great in time of war. The prestige attached to his name will be recognized in history. On every occasion he has succeeded in surrounding himself with very able men capable of understanding him and of following the ideal of social justice which constantly inspired his policies. A government thus constituted is well qualified to enrich our Statute Book with fruitful laws. As for the Prime Minister himself, the legislative programme set up in the Speech from the Throne might in a way be considered as the crowning achievement of his career. But, fortunately, we have every reason to believe and to wish that this will not be the end of his political achievements. His administrative capacities, his mastership in the prosecution of the war, the thorough knowledge of all international matters which he has shown as Secretary of State for External Affairs, his great sense of realities together with his inborn idealism, all point to him as the logical leader of the Canadian delegation to the Peace conference. His advice, as leader of the government of a small nation, but at the same time of a gallant nation, will be invaluable. I have the impression, honourable senators, that you endorse the wish I am expressing, and I am satisfied that it reflects the opinion of the whole country.

(Text): Now, honourable senators, just a word or two in English, in order that you may know I can speak English as well as French. In the Speech from the Throne we find an intimation that many social measures will be put on the Statute Book at this session of Parliament. I think we all realize that social measures are necessary for the post-war period; but no matter how much social legislation we pass, unless world peace is established and world trade flows freely there will not be true prosperity in Canada.

Some Hon. SENATORS: Hear, Hear.

Hon. Mr. BEAUBIEN: The prosperity of Canada is largely dependent on the kind of peace we are going to have after this war. The contribution Canada has made to the war is equal to that of any of the Allied nations. Take mutual aid, for instance. We have given mutual aid to Russia, to sister Dominions, to Great Britain and to China. When peace comes and the prime ministers and other leaders of the different nations sit around the conference table, is there any man in Canada who will be able to accomplish more than the present Prime Minister? May God spare him!

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BEAUBIEN: I do not want to talk politics here, and I do not think anybody can accuse me of attempting political propaganda in this Chamber; but I ask you in all sincerity what our Conservative friends could do, even with John Bracken as their leader. Almost from time immemorial the Conservative party has stood for restriction of trade. If you have restriction of trade, no matter how much social legislation you may place on the Statute Book, you will not have prosperity. Take the C.C.F. The members of that party, naturally, ignore the international situation. They think that simply by passing social legislation, without taking into account world conditions, we shall secure prosperity for Canada. I am not an economist, but my common sense tells me that the prosperity of Canada depends on international trade; and in my opinion only one party in this country will be able to exert sufficient pressure at the peace conference to bring about an easy flow of trade, and that is the Liberal party.

Honourable senators, I have much pleasure in seconding the motion of the honourable senator from Central Saskatchewan (Hon. Mr. Johnston).

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

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

THE SENATE

Wednesday, February 2, 1944.

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

Prayers and routine proceedings.

EXCESS PROFITS TAX—CHARITABLE DONATIONS

DISCUSSION

On the Orders of the Day:

Hon. WILLIAM DUFF: Honourable senators, before the Orders of the Day are called, there is a matter which I should like to draw to the attention of the leader of the Government in this Chamber, who is also, I am sure we are all pleased to know, not only a Privy Councillor but a member of the Government. In yesterday morning's Ottawa Journal, I noticed an item which reads as follows:

> Finance Minister Ilsley announced Monday night that the Budget to be brought down at this session will contain provision for limiting the taxation advantage obtainable by business firms making large donations to charitable organizations.
>
> Mr. Ilsley said evidence is devoloping that business concerns subject to 100 per cent taxation on excess profits are being solicited to make unusually large contributions to various non-profit organizations.
>
> Up to a point, he said, these contributions are allowed as deductions from profits. Under 100 per cent excess profits taxation, however, the main burden of the gift obviously falls on the Dominion Treasury and ultimately on the taxpaying public generally.

This item, honourable senators, which was evidently given out to the press by the Finance Minister, refers to donations to charitable organizations. Ever since I can remember, charitable organizations throughout this country, and in fact in every other country, have been dependent to a very large extent on the good will of well-wishers who, from time to time and from year to year, were willing to contribute moneys to these charities. If people who have been in the habit of making charitable donations of a hundred dollars or one thousand dollars or ten thousand dollars, as the case may be, to various institutions all over this country—hospitals, churches, orphanages, homes for the poor, colleges and schools—if these people are not to be allowed to deduct such donations from their business profits, what is going to happen to the institutions? We hear a great deal to-day about social service and social security, and in a few weeks we are going to be asked to decide whether we shall pay a certain sum per head for every child in every family. Many of the people who to-day support colleges and schools were in their youth unable to get much so called higher education, yet through their brawn and brain built up successful business enterprises that are a credit to this country. Out of the profits received from their businesses they have made and are making contributions to colleges and schools in order that poor children of to-day may find it easier to acquire education. Surely, honourable senators, this is much better than giving poor families a hand-out of $7 or $9 a week for every one of their children.

Business profits provide the chief source from which these charitable donations can come. Under our excess profits tax law, some people who have an income of more than $5,000 a year find it necsesary, in order to pay their taxes and other bills, to dig into their capital. Otherwise they could not keep their businesses and homes going. However, I am not going to discuss our present tax system to-day, as we shall have another opportunity of doing that. What I want to do this afternoon is to call the attention of the honourable leader of the House to my views upon this latest proposal of the Finance Minister, views which I am sure are shared by thousands of people all over Canada. The proposed amendment to the excess profits tax will strike a blow at educational institutions and charitable organizations from one end of this country to the other.

To take 100 per cent of a man's profits is bad enough, but surely it is even worse to refuse to allow tax exemption with respect to money gifts to institutions such as I have mentioned. For instance, why should I have to pay a tax on $100 that I give every year to a coloured orphans' home outside Halifax? I am not boasting about the gift at all; I merely mention it as a small instance of the kind of support that thousands of business men are giving to institutions that are doing a good work in this country. I ask the honourable leader of this House, who is a member of the Government, to say to his colleagues that in my opinion this proposed amendment to the excess profits tax would be mistaken legislation and contrary to the best interests of this great country.

Hon. J. H. KING: Honourable senators, I think no one realizes better than does the honourable senator who has just spoken, the duties and responsibilities facing the Minister of Finance at this time. We are at war, and in order to prosecute that war it is necessary to obtain large sums of money from the public. Under our present law, gifts made to certain institutions, including universities, are exempt from taxation. Within the last few months certain universities have been soliciting large

sums of money from sources where money is to be had. The Minister, having learned of this, took advantage of the first opportunity to indicate, and I think very properly, that his Budget will contain provision for limiting the tax exemption on such gifts. But a certain proportion of the amounts donated would still be tax exempt. In a statement made in another place on January 31 the Minister said:

> For example, in the case of the ordinary commercial or industrial corporation the tax advantage in respect of such contribution will be limited to 40 per cent of such contribution, even if the corporation is subject to tax at the 100 per cent rate on its excess profits.

I think that after the Minister learned that certain universities were making a drive to obtain large donations which, under the provisions of the present law, are exempt from the excess profits tax, he would have been remiss in his duty if he had not advised Parliament that he intended to have these provisions modified. I am sure no one in Canada is more desirous than the Minister of Finance that our universities should be provided with adequate funds; but, on the other hand, his chief responsibility is the securing of money for prosecuting the war.

Hon. Mr. BALLANTYNE: Honourable senators, I rise to a point of order. I submit that this discussion is entirely out of order. The business that should be before this Chamber at the present time is the Address in Reply to the Gracious Speech from the Throne, and in my opinion it would not be proper to continue this discussion.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

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

Hon. C. C. BALLANTYNE: Honourable senators, my first pleasant duty is to congratulate sincerely the mover of the Address (Hon. Mr. Johnston) and the seconder (Hon. A. L. Beaubien) upon their informative and interesting speeches. May I also be permitted to say to the mover, who was introduced into the Senate only last week, how pleased I am to see him a member of this House? I met him first some twenty-seven years ago, when we both became members of another place. The Union Government was then in office. His long parliamentary experience will prove very useful in this honourable chamber. In his speech yesterday my honourable friend made one statement that seemed to me particularly significant, namely, that the farmers of Saskatchewan never had as much cash in their possession as they have at present. In previous sessions we were accustomed to hear of the dire conditions of the West, which were attributed to the low price of grain, or to soil drifting, or to damage done by hail, grasshoppers, frosts, and so on. So it was indeed cheering to hear what our new senator from Central Saskatchewan (Hon. Mr. Johnston) said about the present prosperity in his province.

The seconder of the Address, my genial friend from St. Jean Baptiste (Hon. Mr. Beaubien), delivered in French a speech which I am sure must have been enjoyed by every honourable member who understands that language. But when he spoke in English I was surprised and disappointed to hear him make the unwarranted statement that if Hon. John Bracken came into power he would place on the Statute Book restrictive measures that would seriously impair not only the home markets of Canada but also our export trade. It does not become my honourable friend to make such an inaccurate statement, for I know, as do many other honourable members of this House, that during the twenty years or so in which Mr. Bracken headed various political combinations in the province of Manitoba, he never had a more faithful follower than the honourable gentleman from St. Jean Baptiste. No one knows better than my honourable friend that should our leader come into power he would not impose a high tariff or any other restrictive measure that would in the slightest degree interfere with either our home or foreign markets. On the contrary, progressive man that he is, and better acquainted with agricultural conditions than is the leader of any other political party, his policy would probably lead to a great expansion of trade both in Canada and overseas.

Honourable senators, this may very well prove to be the most momentous session in the history of this country. It is within the bounds of possibility that our arch enemy, Germany, may be defeated before this year is out. Our great leaders do not say that she will be, but they do say that her end is in sight. No one can make a definite forecast, but let us hope and pray that our Allied forces will achieve decisive victory during the current year. We have been greatly cheered along the way by the wonderful successes of our armed forces during the past year. We cannot, however, close our eyes to the fact that the road to final victory will involve tremendous casualties, and that great sacrifices will have to be made, not only by those at the battle front, but also by those on the home front. The necessary combined effort

will, I am sure, be made. Once more may I express the hope that before this Parliament adjourns we may be acclaiming the defeat of Germany.

I come now, honourable senators, to the gracious Speech from the Throne. It forecasts much important legislation. In order that this session may not be too prolonged, I would urge my honourable friend opposite (Hon. Mr. King) and his associates in the Government to bring down this legislation in concrete form as speedily as possible.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. BALLANTYNE. It would be impossible for me or any other member of this Chamber to attempt to debate all the important legislation set forth in the Speech. Speaking for myself, I prefer to wait until the bills are before us. Then no doubt they will, as is usual, be given careful attention as promptly as possible, so that the session may not be unduly prolonged.

There are two reasons why I hope, though it may be without much justification, that this session will be a short one. First, should the session not be too long it would enable the Prime Minister and his cabinet to devote full attention to vigorous prosecution of the war. Secondly, the Prime Minister will likely attend an Imperial Conference of great significance. Of course, I cannot speak for the other place, but in so far as this Chamber is concerned I assure the honourable leader opposite that we on this side will do everything we can to expedite the business of the session. Let me once more urge him not to delay the bringing down of these important measures; let them be submitted to us at as early a date as possible.

Two of the measures are urgent. The first to which I wish to direct attention is the one dealing with the housing problem. Honourable members are aware that there is an acute housing shortage throughout the entire country, particularly in the large cities and towns, but I want to refer more particularly to my own city of Montreal. I think the housing problem should be dealt with in two parts; that is, there should be what may be termed an emergency programme, as well as a post-war programme. In my own city it is almost impossible to rent either a house or an apartment. Judging from the photographs that have appeared in the Press, many working people in that great commercial metropolis are living under appalling conditions in houses unfit for human habitation.

In order to convey to this Chamber how appalling conditions are, I should like to quote the following remarks of an alderman of the city of Montreal:

City Councillor Dr. J. Stanley Allen, who spoke at the Central branch meeting, admitted that the recent amendment to Rentals Orders 294 will prevent a number of anticipated evictions on May 1, but, he maintained, this would solve Montreal's housing problem in very small part only. He wanted to see additional construction undertaken without delay.

In support of his views, Councillor Allen told the meeting that at the present time over 1,400 Montreal families are living in stores, sheds, cellars, and other places not intended for human habitation and that, in addition, another 4,000 families are "doubling up" with friends or relatives.

I am sure every honourable member will agree with me that the conditions described by Alderman Allen are disgraceful. Everyone wants to prevent unrest in this country and preserve the fullest possible degree of unity, but discontent is bound to prevail and be followed by unrest if our working people are forced to live under such conditions. I would suggest to my honourable friend that at an early date arrangements be made for a meeting here of representatives from each of the provinces and from our larger cities, so that they may sit down with our federal officials and ascertain the immediate and post-war housing requirements. In addition to construction costs and rental value, various types of houses should be considered, for what would be suitable in British Columbia would not be practical in eastern Canada. During the last session or two we have heard a number of speeches on post-war housing, but surely, honourable senators, the time has come when, instead of listening to further theoretical suggestions, we should get down to hard pan and apply ourselves to a solution of this difficult and pressing problem.

I would also suggest that at the proposed meeting the Dominion and provincial governments should decide among themselves what would be a fair measure of assistance by way of subsidies to encourage building. I am sure they could come to an agreement. If my suggestion is carried through to its logical conclusion, I see no reason why it would not be feasible to start immediately building houses in Montreal and other large urban centres, and so relieve the appalling conditions which I have brought to your notice.

I desire now to draw the attention of honourable senators to the recent order for an industrial mobilization survey. I have no objection to this order. I have no doubt it was passed under the War Measures Act for two good reasons: first of all, to ascertain the availability of our man-power; and, secondly, for recruiting purposes. All employers of labour, not only those engaged on war contracts, but also those in private industries, are legally bound to send to Ottawa a list of all their employees ranging in age, in the case of

married men, from 19 to 30, and of single men, from 19 to 40. When men in these categories report they are medically examined, and if they pass the doctor they are sent to a military depot near Longueuil, across the river from Montreal, where Air Force and Army recruiting officers are stationed. If the men are willing to go overseas they are immediately enrolled either in the Air Force or the Army; but if they decline to enlist in those services they are enrolled in the Army for the defence of Canada—a military branch to which I have always been opposed.

The Wartime Information Board announced only a few weeks ago that this home defence force numbers 65,000 men. I do not want to be unfair, but I must say that I never could see why, during the last two years, the Government considered it necessary to retain such a large army in Canada, at great expense to the country. The old militia, now regarded as a reserve force, would be quite capable of looking after peace, order and good government, though let us hope the occasion will never arise when the militia's services will be required for this purpose. To augment the home defence army at the present time is, I submit, entirely wrong, yet I am informed on very good authority that large numbers of men who have refused to go overseas are enlisting in this branch. I trust that before the Minister closes the debate he will inform us whether the members of this army are to be, I do not say demobilized, but at least discharged, subject to recall, so that they may engage in occupations useful to the country, instead of devoting their time to physical training at an expense to Canada of between $100,000,000 and $150,000,000.

When I made inquiries in this city to ascertain whether the industrial mobilization survey covers the Civil Service of Canada, both federal and provincial, I was amazed to find that it does not. True, the young men of military age are subject to call-up, but generally they get a postponement. I do not know how many federal and provincial civil servants are of military age, but I think it is safe to say there is a large number of them. Perhaps when the honourable leader opposite speaks he will tell us why the many young men in the Civil Service of the Dominion and the provinces have not been brought under the survey. We must have equality of service in war-time, and I do think that the Government made a grave mistake in excluding those young men from the survey.

The next subject I come to is National Selective Service. Within the last few months many men and women have been let out of munitions plants. I have no criticism of the Government for that, because undoubtedly the situation was brought about by the accumulation of large stocks of material or changes of design. Nevertheless the number released was large. Probably we shall hear what disposition has been made of them. But there is another question. All the people who have been released, and others who are seeking positions, have to make application to the National Selective Service office in Montreal. This office is housed in a building which is quite inadequate to accommodate the numbers who have to go there to find out what positions they can get. I was passing by that building one cold day in the month of December, when the thermometer was below zero, and saw a large number of men standing two abreast, in a line extending for blocks along the street. They could not even get into the building, and many of them had to give up their quest by reason of the severity of the weather. I inquired of one man, "When you do get inside, what do you find"? He said: "They are jammed like sardines in a box. Everyone has to stand in line, and there are police officers present to see that they do." I ask the Minister if he will not take up this matter with his colleagues and see if something cannot be done to secure a larger building so that these people may be kept off the streets, especially during the winter-time, and to provide accommodation so that once they are inside they will not have to remain standing by the hour.

I am particularly sorry—still speaking on the same subject—about the situation of the white-collar class. I am speaking of men above the military age. A number of these men, who were employed in war industries, have now been let out. It is extremely difficult for them to get anything to do. Some of them called on me to see if I could assist them. I regret that I was unable to do so. May I suggest to the leader of the Government here that possibly the time has arrived when the white-collar class, including female stenographers and clerical workers, should be omitted from the National Selective Service requirements, and be allowed to try for themselves to see what positions they can get?

Now, honourable senators, perhaps I have spoken longer than I should have done, but before I conclude these brief remarks I want to express not only my own feelings, but those, I am sure, of every honourable senator and every Canadian and say how thrilled we have been to learn that when our First Division got into action in Sicily, and later in Italy, our men covered themselves with glory and proved to be, as we knew they would, very excellent and efficient soldiers.

Some Hon. SENATORS: Hear, Hear.

Hon. Mr. BALLANTYNE: We know also that when the rest of our forces, now in England, get into action, they will show themselves the equal of those who have already been engaged in the countries I have mentioned. May I say also how proud we are of our Canadians in the Air Force and in the Navy. They have all played a splendid part in the war, and I am confident that when victory is eventually won Canada will have reason to be proud of the part played by her armed forces.

Some Hon. SENATORS: Hear, Hear.

Hon. J. H. KING: Honourable senators, before I proceed with the main portion of my remarks, I should like to join with my honourable friend opposite in congratulating the mover (Hon. Mr. Johnston) and seconder (Hon. A. L. Beaubien) of the Address in reply to the Speech from the Throne. Both of these honourable senators have had a long experience in parliamentary life, having served for many years as members of the House of Commons. It is gratifying to us to find that the honourable senator from Central Saskatchewan (Hon. Mr. Johnston) who, while in the other House, served as Deputy Speaker, is now a member of this Chamber, having been summoned here within the last few months. I am sure that his knowledge of agriculture and commerce in the great province of Saskatchewan will be of real benefit to this assembly. As far as our friend from St. Jean Baptiste (Hon. A. L. Beaubien) is concerned, I do not need to say very much. He was well known in the House of Commons, and since 1940 has been a member of this Chamber. I wish to thank him for the contribution he has made to the present debate.

My honourable friend opposite has been very fair, as he usually is. He has not been severe in his criticism. He has brought to our attention certain matters that are being discussed, not only in this Chamber, but throughout the country-side. The honourable gentleman referred to certain important questions, and in mentioning them briefly, I am not closing off inquiry.

Very properly, I think, he brought to our attention one of the most important matters mentioned in the Speech from the Throne. I refer to housing. It is true that in Canada to-day there is a great lack of proper housing facilities for our people. This is particularly true in the large centres of population. It is easy to understand the reason for this condition. The necessity of establishing huge war plants and employing large bodies of men and women in those plants has resulted in overcrowding in our cities. It is also true that for the last four years—in fact, it is going on five years now—there has been very little home construction in Canada. This has been largely because our people have been engaged in war production, which has absorbed a great proportion of the supply of materials that ordinarily would go into the construction of homes. I do not think it is possible at this stage of the war to divert large quantities of these materials—lumber, for instance—from war uses to home-construction purposes. I understand that fifty per cent of the lumber produced in this country to-day is going to Great Britain, and ten per cent to the United States, mainly for war purposes, leaving us with only forty per cent, much of which is used in war production.

It is suggested in the Speech from the Throne that the Government will review the housing situation and bring down a supplementary housing programme. As is well known to honourable members of this Chamber, since a number of years before the outbreak of war the Government has been advancing money to assist people of little means to secure homes of their own. Over $60,000,000 has been advanced for that purpose, and operations have been carried on in such a manner that there has been no loss to the Dominion treasury.

Thousands of people, owing to changes in the requirements, have ceased work on the production of war materials and have been transferred to other occupations. It is true that, as was bound to be the case, there has been some dislocation, some inconvenience, and in some cases even hardship; but I think we should realize that up to the present the situation has been fairly well met. The Minister who has this matter in hand merits our sympathy, for he has one of the most difficult and trying problems any minister could have, and, the Department of Labour, has to make some regulations that our people do not like. Canadians are not accustomed to being regimented and told to go here and there. But let us not forget that almost from the first the complaint of this country has been that people were not being told to go here and there, wherever they could best serve. While to-day the department's regulations, which I think are being carried out efficiently and without favouritism, may cause some inconvenience and hardship to individuals, this is a condition that cannot be avoided in time of war.

The policy of securing men for the forces was debated and adopted in Parliament some two years ago. My honourable friend complains that men are drafted or taken under the National Selective Service Act. But experience has shown that this has created a large manpower pool from which there has

been a steady flow of recruits to the armed forces overseas. There is no doubt about it that many young men, after being drafted and claimed, have volunteered for service anywhere in the world.

My honourable friend says that there are in Canada some 60,000 soldiers. Well, many of these men have been engaged in Newfoundland and Alaska. I do not think my honourable friend is serious when he says we should not keep a large body of men in Canada at this time, and that this army should be discharged and put into industry.

Hon. Mr. BALLANTYNE: Will my honourable friend allow me to interrupt him a moment? I have stated on previous occasions, and I re-stated to-day, that I always favoured our maintaining the necessary military forces on our coasts, and also in Newfoundland and the Aleutians. But why should we keep such a large body of soldiers in the interior of Canada?

Hon. Mr. KING: It is not difficult to answer that question. In the development of the training programme throughout Canada, centres were established not only on the coasts, but in the various provinces, and from these centres trained men are moved to coastal areas from time to time as required. Also it has to be remembered that since the war England, with the many thousands of soldiers on active duty and in training there, has been a very crowded country, and on that account it was surely wise for us to train as many men as possible in Canada, with its abundant supply of food and ample room for military exercises. Men are steadily going forward from our training centres to England as required, and I have no doubt that within the next few months many more will be transferred overseas.

I should like to speak for a few moments in a general way of the Speech from the Throne and the Government's programme as outlined therein. This is the fifth session of the present Parliament, and the fifth year of the war. I think that any one who reads the Speech with care will conclude that the Government was above all trying to impress upon the people of Canada that the winning of the war is still our primary objective, and one that requires the full support of every Canadian. But it was, thought that in the fifth session of this Parliament there should be presented legislation which would indicate the Government's post-war policy and be available if the war should cease before we entered upon another session.

I believe honourable members will agree that it has been the desire of our public men and officials charged with important administrative tasks that this time, if at all possible, mistakes of the kind made after the last war should be avoided. So in 1939, a few months after the war began, the Prime Minister of Canada suggested that certain men prominent in the public service of the country should immediately undertake a study of post-war conditions. I believe that when war was declared very few people thought it would last for five years, or six years, as it apparently will. In any event, committees were set up for the study of post-war conditions. Then prominent men from our universities and from industry came forward and indicated their desire to contribute their knowledge, experience and ability to the making of these studies.

Some two or three years ago the House of Commons appointed a special committee on reconstruction and re-establishment, and last year we in this Chamber appointed a similar committee. The idea in both cases was that in this way Parliament might be made familiar with all that had been learned as a result of the various studies and inquiries carried on since the war. The evidence given before both committees is on record. At our own committee last year we had interesting material placed before us, not only by experts who had been engaged by the Government to make reports and prepare data with respect to post-war problems, but also by representatives of important outside groups, such as chambers of commerce, labour organizations, veterans' associations and professional bodies, particularly those interested in medicine, hospitalization and nursing. That was a most encouraging and heartening feature of our committee's work, and I think it indicates an important trend, because I am satisfied that if after the war, we can get from our people the same co-operation they have given during the war, the period of reconstruction may be one of great advantage to our country.

In the Speech from the Throne the Government indicated its intention to set up a Department of Reconstruction, which will be headed by a responsible minister. The significance of that announcement is that matters which for the last two or three years have been more or less up in the clouds will become subjects of administration by departmental officials. It will be the duty of the minister to assemble and correlate the various proposals that have been made from time to time.

Now I should like, as my honourable friend opposite (Hon. Mr. Ballantyne) has done, to pay tribute to the men and women in our armed forces. It is not my purpose to speak at length to-day on the accomplishments of

our fighting services and our war industry. I think it is generally recognized, not only in this country but throughout the Allied nations, and also in enemy countries, that Canada has played no mean part in this war. Speaking of our manpower, I merely wish to give a few figures. In the Army to-day there are 470,000 men, and in the Navy, 70,000.

Hon. Mr. HAIG: Would the honourable leader break down that 470,000, and tell us how many are serving outside Canada?

Hon. Mr. KING: I cannot speak definitely, but I think there are about 300,000 overseas.

Hon. Mr. HAIG: That would leave about 170,000 in Canada.

Hon. Mr. KING: I think so, though I am not quite sure.

In the Air Force we have to-day 185,000 men. Then, in the various armed services, there are 37,000 women. This makes a total of 762,000 men and women now enrolled in Canada's armed services.

I am happy to join my honourable friend opposite (Hon. Mr. Ballantyne) in paying tribute to the men in our Naval Service. It was gratifying to Canadians a few days ago to hear the First Lord of the British Admiralty express his admiration of the work of the Canadian Navy. He said it was an amazing thing that young men from the interior of Canada could within a very short time accommodate themselves to service afloat. Canadian parents are proud to know that their sons, from whatever section of the Dominion they come, are so well qualified to uphold the great traditions of the Navy.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: It is not necessary for me to speak at length on the Air Force. When we read reports of the bombing raids over Berlin, Frankfurt, Brunswick and other German centres, and note the increasing number of R.C.A.F. bombers taking part, we are proud of our airmen; but we realize too the hazards when bomber losses are announced and we learn that out of fifty bombers missing probably ten were Canadian. Our airmen are taking a leading part in this global warfare, and are helping to maintain air supremacy for the United Nations.

As to the women in the Canadian armed services, the importance of their contribution to the war effort can best be appreciated by inquiring of those in charge of the Canadian Women's Army Corps, the Women's Royal Naval Service, and the Women's Auxiliary Air Force. Then only will a layman realize how helpful our women have been to the Army, the Navy and the Air Force.

In addition to the 762,000 men and women in the armed forces, there are more than 1,000,000 working in our war plants, and another 2,100,000 engaged in agriculture and other civil occupations. There may be reason for complaint here and there on the ground of personal inconvenience, but take it all in all, with that proportion of our population of some 11,000,000 engaged in the war effort, our people have shown that they are prepared to accept war conditions. I think there will be general agreement when I say that this attitude is due in large measure to the fact that the Government brought about the change from peace to war with the least possible dislocation of civil life.

During the past year some notable conferences have taken place between the Allied leaders, and it is only right to refer to them, because they illustrate the great changes that have taken place in world travel. The great leaders of the Allied Governments, with their military advisers and technicians, have met in Washington, Quebec, Moscow, Cairo and Teheran. At these meetings they developed and co-ordinated plans for offensive warfare not only in the European theatre but on the Pacific front as well. The meeting in Moscow of Mr. Molotov, Mr. Cordell Hull and Mr. Anthony Eden, representing their respective countries of Russia, the United States and Great Britain, prepared the way for the meeting at Teheran of Marshal Stalin, President Roosevelt and Prime Minister Churchill. It is interesting to note that Marshal Stalin, the remarkable leader of the Soviet army and people, was present at Teheran, and that Generalissimo Chiang Kai-shek conferred with Mr. Roosevelt and Mr. Churchill at Cairo. There can be little doubt that as a result of the exchange of views at those conferences extensive plans were made for pressing the war against Germany and Japan with the utmost vigour.

We in Canada have reason to be proud that one of these momentous conferences took place in the old and historic city of Quebec. I think we may fairly assume that that conference was held in recognition of the war effort of this country, and also in appreciation of the part that our Prime Minister, Right Hon. Mr. King, has played, not only in furthering our war effort, but also in bringing about a fuller understanding between Great Britain, the United States and Canada—an understanding that has made it possible for these three great countries to pool their resources and help bring about the striking victories of our Allied forces during the past year.

Surely we all realize how vital to the successful opening of a western front is the fact that to-day we have the armies of Great Britain, the United States, Canada, Australia, New Zealand, and India co-operating under a commander-in-chief whom our leaders selected at their recent conferences. We know that in the last war one of our greatest difficulties was the divided command, but that eventually an agreement was arrived at to appoint Marshal Foch supreme commander of the Allied forces. It is the opinion of military men that that appointment had much to do with the ultimate defeat of Germany.

The fact that the leaders of the United Nations were able to meet at such widely separated points must bring home to us how fast distance is being annihilated, and that as a result national policies will have to be re-oriented to meet new world conditions.

I think it is only fair to say that the Government is most anxious to impress upon the people that victory, although apparently assured, is yet some distance away. The Speech from the Throne has emphasized that there will be much hard fighting and the road to victory long and laborious, and that we must steel ourselves not to relax our war effort in the slightest degree.

It seems to me I should state that during the war period Parliament has passed several measures for the benefit of our men serving overseas. Those who have made a study of these measures are inclined to agree with the opinions expressed in other countries that in the matter of legislation for taking care of returned veterans Canada probably leads all the United Nations. Our land settlement Act is an outstanding example of such legislation. Only recently the Government found it necessary to increase the maximum loan for the acquirement of land from $4,800 to $6,000, the department having found that it was no longer possible to acquire the proper type of land at the price provided for in the legislation.

I think it has been overlooked that that measure also makes provision for men in the Navy who when they return to civil life desire to engage in fishing. The Act also provides for assistance to mechanics or engineers who after returning from overseas desire to build a home in the vicinity of their employment. It provides further that men serving overseas shall on their return be entitled to re-employment in the industry or office in which they were engaged prior to enlistment.

Those, briefly, are the provisions made to take care of our war veterans. When dealing with a problem so dear to the heart of the people of Canada generally, public men should not go up and down the country intimating that they have some great proposals for the welfare of the returned soldier, unless at the same time they indicate what Parliament has done already in this respect. I think before a man makes promises of that kind, in fairness to Parliament and in the name of decency and honesty, he should at least advise individuals or the public that Parliament has laid down certain policies to take care of the returned soldier. If he wishes to say, "I do not think that is enough. I propose more, my party proposes more," that would be fair. But if any man in public life at this time not only states up and down the country, but as well tells our soldiers overseas, where they are not in contact with Parliament and with what is being done for them: "We in our party are the only ones that have in mind the care of the returned soldier,"—that man fails in his duty, unless he states what Parliament has already done, and I say he is not honest.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: He should at least indicate, or his group should indicate, that Parliament has passed certain legislation for the benefit of the men who are fighting; and then, if he wishes, he should say, "We propose to go further and do other things."

Hon. Mr. BLACK: May I interrupt? I think the remarks of the honourable gentleman are sound, but I think he should give the name of the party.

Hon. Mr. CALDER: I think he should give the name.

Hon. Mr. KING: It is not necessary. It is known in parliamentary circles if it is not known outside.

Hon. Mr. CALDER: If my honourable friend has been referring to the leader of a party, he must recognize that there are three parties.

Hon. Mr. KING: I said "group."

Hon. Mr. CALDER: The honourable gentleman was referring to a leader. How are his words to be taken? Who is this leader? It seems to me the honourable gentleman should direct his attention to the individual who, he says, is doing a certain thing.

Hon. Mr. KING: I think my honourable friend has misunderstood me. I said there were people in Parliament, groups in Parliament, who were going about the country to-day and, without telling the public what Parliament had done by way of legislation to take care of returned soldiers, were indicating

that they as a party were going to do great things. I claim that these men, if they are honest in dealing with this problem and honest with Parliament, should at least indicate the legislation that has been passed for the benefit of the returned soldiers. This should not be a political question. Every man in Parliament is interested in the problem of the returned soldier. I am pleased to say that during the past two or three years, when we have had measures affecting returned soldiers before us, there has been no division between the parties in this Chamber, and very little in the House of Commons.

In addition to providing for settling men on the land, and employing them in the industry in which they were previously engaged, there is provision for training young men in various lines of activity upon their return. Only the other day I noticed that in Edmonton returned men were being trained to enter various industries. I suppose the same thing is taking place throughout Canada. Then there is provision to enable young men who left university to go into the armed forces to continue their studies at the expense of the State. These things are important, and should be known to the men overseas.

I have dealt briefly with the establishment of a Department of Reconstruction. It is also proposed in the Speech from the Throne—and I think it is a concession to our veterans' organizations, who have been working in that direction—that there should be a department to deal with veterans' affairs. The activities of such a department will be greatly increased as a result of the war. I know from personal experience, having for some four years been in charge of the Department of Health and Soldiers' Civil Re-Establishment, that there is no more trying department of government to administer. I think the Government are well advised in seeing to it that a department is set up which will devote its whole time and energy to the affairs of veterans and their families.

The programme before us indicates that the Government are prepared to consider and introduce certain social security measures. I cannot speak definitely, but I assume that these measures and measures relating to health would come under a department headed by a responsible minister.

Like my honourable friend opposite (Hon. Mr. Ballantyne) I have no desire to discuss many of the measures that are referred to in the Speech from the Throne. They will come before us in due course and will be debated and considered on their merits. We know that this is the year for the revision of the Bank Act, which occurs every ten years. I believe it is the intention of the Government to bring down a measure dealing with this subject.

There is also a suggestion in the Speech from the Throne that steps will be taken to assist in the return of industry from war production to civil activities. Financial aid may be necessary, and arrangements will be made in order to bring about the transformation. Until I see the legislation I shall not know just how far it is to go or what the character of it will be; but I think it is important that industry should be assisted in this conversion.

The programme presented in the Speech from the Throne will provide us with plenty of work this year. Like my honourable friend opposite, I hope the Government will be able to proceed directly with its measures so that they may come to us at an early date and give us ample opportunity to consider them carefully in this Chamber. It is the duty of the Government, of course, to facilitate business, but there is a limit to what it can do in that direction. The temper of the House of Commons and the stand to be taken by those in opposition are matters beyond the control of the Government. I know it is the desire of the Government that these measures be proceeded with as expeditiously as possible, and that Parliament conclude its duties at an early date. A great responsibility rests on not only the Ministers but the officials of the Government. Undoubtedly they can proceed with their work with greater facility if Parliament is not in session. I am hoping, therefore, that the legislation to come before us will not be delayed in any way, and that we shall not be here late in the summer, as we were last year.

I am afraid I have taken more time than I should have done.

Hon. Mr. DUFF: Go on!

Hon. Mr. KING: There are many matters I could discuss, but I do not think any great advantage would be gained by my continuing. I thank you for your attention.

Some Hon. SENATORS: Hear, hear.

Hon. Mrs. IVA FALLIS: Honourable senators, of all the wealth of legislation which is forecast in the Speech from the Throne, I suppose the interest of the average citizen is centred to-day largely upon the proposed social legislation. I know that in the heart of every member of this Chamber there is a hope that the Canada of to-morrow will be better than the Canada of yesterday; and coupled with the hope, there is deep in the inner consciousness of every one of us a strong determinaton,

each to do his or her part in helping bring about the fulfilment of that hope. But while we are all agreed upon the objective to be reached, it is quite possible that we may differ very much as to the method of reaching it.

If I may for a moment, I should like to adopt the position taken last night by the honourable senator from St. Jean Baptiste (Hon. A. L. Beaubien), and say that much as I dislike having to interject a political thought into a non-political address, I sincerely believe it to be my duty to call to the attention of honourable members of this Chamber the fact that the Progressive-Conservative party in convention assembled at Winnipeg was the first of the two old parties to give to this country a comprehensive policy of social legislation.

All political parties are agreed to-day on the need. We feel that Canada has long lagged behind Britain and other countries in the matter of social legislation. Speaking for myself, while I am in accord with very much of what was said in the Speech from the Throne, I differ in this respect: I cannot honestly and whole-heartedly subscribe to any policy which lays such great emphasis on what the Government is going to do for the individual and says nothing at all about the part the individual himself should play. I expect I am just one of those old-fashioned people who still think that the measure of a country's greatness is in very marked degree the measure of the thrift, initiative and enterprise of the individual citizen.

Some Hon. SENATORS: Hear, hear.

Hon. Mrs. FALLIS: Personally, I take pride in the fact that the development of this country was made possible because your forefathers and mine exercised individual initiative; that they had within themselves always a desire to achieve something. That is why we have the Canada of to-day.

We are all agreed that the time has come when we as a country must do all we can to make life better in the future for those who have not been too fortunate in the past, for those who, because of misfortune, lack of opportunity or lack of ability, perhaps, have not been able to provide adequately for themselves and their families. At the same time, I would rather that more emphasis were placed upon the remedying of unfavourable conditions in such a way as to enable the individual to help himself than that a beneficient government should be called upon to assume the entire responsibility of playing the role of Santa Claus, and of saying to all and sundry: "Hang up your stockings; you will be surprised at what you find in them in the morning." Canada, having lagged behind Britain and other countries for many years in this matter of social legislation, now appears to have swung to the other extreme, and in one swoop the Government has forecast all the social legislation that could be thought of. I wonder if some honourable senators think, as I do, that there may be a danger of going so far in this direction that paternal legislation may destroy much of the individual initiative of this country.

We all appreciate the fact that there are certain cases and certain conditions calling for the payment of cash grants to individuals. But personally I should like to see the emphasis placed upon services first, and cash grants made supplementary to those services. For example, in our home and community life, if we spend public money on such things as better educational facilities, better housing, and the bringing of adequate medical and health services to the people, we have tangible proof of what we are getting for the money. But if we hand money to individuals, or to the heads of individual families, it may or may not be used for the purpose of seeing that the children are properly nourished, educated, and given sufficient medical care. I can think of no better example to illustrate this point than the work of the Victorian Order of Nurses in Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mrs. FALLIS: I believe that there is no other service in Canada from which you get the maximum return for the minimum outlay as you do from the work of the Victorian Order of Nurses. If the money that is contributed to that organization were paid in cash grants direct to individuals, with the advice to "get yourself some nursing services," the results would not be in any respect comparable with those obtained for the same money through the Victorian Order of Nurses. I give this as just one example.

As one of the two representatives of the women of Canada in this Chamber, I should like to discuss a question of very deep interest not only to Canadian women from coast to coast, but also to employers and male workers. That is, the position of women in the post-war world, especially in post-war industry. Last week there was tabled in another place a report on a survey conducted by a committee that had been set up to inquire into post-war problems concerning women, and in that report there were some figures which will perhaps give us cause to think. It is shown there, for instance, that in June of 1939 the number of women employed in Canada outside of their own homes was 600,000, and that by November, 1943, that number had increased to 1,200,000. Of these, 260,000 are employed in war industry, and 73 per cent of them are unmarried.

These figures do not include the 38,000 women in the armed services. Granted that the post-war period will be able to absorb without difficulty as many women as were employed in June of 1939, that is, 600,000, and making allowance for the fact that among those now working are many married women who will gladly return to their homes when the war is over, and that there are also many single girls who will marry, there still remains a substantial number of women to be looked after at that time.

It is evident that under post-war conditions there will be a vast number of women competing with men in industry, if jobs are not too plentiful. In a private survey that was made in a few Ontario factories, 50 to 80 per cent of the women working there declared that they wished to continue in industry or in other work outside of the home after the war. This is a problem which has to be considered in our post-war planning. It is not one that can be dismissed lightly with a shrug of the shoulders, for it involves hundreds of thousands of women. "Believe it or not," there still are some prominent men in Canada to-day who believe the problem can be solved by shrugging their shoulders and saying, "Let them go back to the kitchen; that is where they belong."

I should like to remind any who share that sentiment that women in the first place did not choose to enter industry. They were forced into it as an alternative to starvation for themselves or their dependants. Long years ago, when civilization was only a flare-up on a few square yards of bricks and mortar, when, because of lack of means of transportation and communication, rural communities were entirely isolated, each rural home was an industrial centre in itself. The daughters of the household busied themselves with spinning, weaving, knitting, and so on, and were self-supporting. But then came man-built factories, with their mass production, which were able to put goods on the market at cheaper prices. And so, having had their means of livelihood taken from them, women were forced to seek jobs in factories. That was the beginning of women in industry; and the figures I gave a few moments ago show what the development has been since that time. Speaking recently to a meeting of industrial women workers, Mr. Ernest Bevin, Britain's Minister of Labour, made this very pertinent statement:

> The Government called women from their homes and other occupations to war industry. We shall not forsake them when the war is over.

The sub-committee that conducted the survey to which I have referred, made this recommendation:

> Women workers of all kinds should have the right to choose their work and have equal remuneration, working conditions and opportunity for advancement with men.

At this point I should like to state emphatically my own view, which of course is the view of every one in this House, and the consensus of opinion throughout the country, that after the war the men who served in our armed forces should have priority in obtaining employment. But, with that exception, I think there should be no sex discrimination in the providing of post-war jobs. We have to bear in mind that many women now working also have dependants; and to this number will be added after the war, soldiers wives, with added cares, and war widows who have to support themselves and, in many cases, small children as well.

The right of these women to employment is equal to that of any man, with the above mentioned exception—those who have served in the armed forces. I feel that if there is not enough employment for everybody, only two conditions should be exacted of applicants: first, the ability to do the job; and, second, the need for remuneration. There are many women working to-day who do not need the money they earn. I mean that there are women who from a patriotic sense of duty went into war plants or other lines of war work to help relieve the labour situation. I am not for a moment saying that these women should be allowed to continue in this work after peace returns, unless in the meantime they get into difficult financial circumstances and have need of the remuneration. Also, it is well known that there are in industry women who should be at home looking after small children. Where no adequate nursery facilities are available to care for children, the mothers should not be permitted to continue working in industrial occupations. I stress that the only two conditions which women applicants for work should be required to meet, after ex-servicemen have been taken care of, are these: the ability to do the job and the need of remuneration. And what applies to women in industry applies also in the wider fields of business, professional life and public service.

Let us not forget that women, no less than men, have worked and sacrificed to win this war. More than that, they have shown themselves capable of assuming and faithfully discharging new and important responsibilities. By all these things they have earned the right to a voice in the counsels of peace. It seems to me that to ignore a person's capabilities because of sex prejudice is not only unjust discrimination, but it is not in the best interests of the development of our country as a whole. In the solving of her post-war problems Canada will need all the ability and

talent available in this country, and these should be used, irrespective of their source.

On motion of Hon. Mr. Hayden the debate was adjourned.

RIGHT HON. LORD SEMPILL

GUEST OF THE SENATE

The Hon. the SPEAKER: Honourable senators, it has been brought to my notice that we are greatly honoured by the presence in our midst to-day of one of the noble peers of the House of Lords—His Lordship the Master of Sempill. He is the holder of one of the oldest Scottish titles, dating from 1489. He can also claim to be a Canadian, since he is the successor in title to one of the twelve baronetcies which Charles I created in Nova Scotia. I may add that Lord Sempill had a very distinguished record in the last war. I am sure that all honourable senators will approve my action in extending to His Lordship the privilege of a seat on the floor. I should like on your behalf to assure him that he is a most welcome guest of honour.

Hon. J. H. KING: Honourable senators, we are indebted to His Honour the Speaker for having invited His Lordship to take a seat in this Chamber to-day. It is gratifying to know that His Lordship's visit to Canada has made it possible for him to be with us this afternoon.

Hon. C. C. BALLANTYNE: Honourable senators, I am glad to add my word of welcome to the distinguished lord who has honoured us with his presence. He is doubly welcome, for, as the honourable the Speaker has told us, not only is he descended from a very distinguished Scottish family, but he has had a remarkable war career, although, judging from appearances, he is still a young man.

We are indeed honoured, my lord, by having you with us this afternoon. Though we have all the powers of the House of Lords, and in some respects perhaps a little more, we try to deal fairly with all legislation that comes to us from the other House.

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

THE SENATE

Thursday, February 3, 1944.

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

Prayers and routine proceedings.

ADJOURNMENT OF THE SENATE

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, I think it would be wise for me to make a statement regarding adjournment. I know that many members would like to know something as to the time and length of the coming recess. After having conferred with my honourable friend opposite (Hon. Mr. Ballantyne), I may say that at the conclusion of the debate on the Address it is my purpose to move that when the Senate adjourns it do stand adjourned until Tuesday evening, March 7.

It is very difficult to decide upon the date when we should reassemble. Last year during adjournment we were advised that a supplementary war estimate was required, and we had to re-summon the Senate within a week or two after it had adjourned. Later on other bills came up requiring attention. At the moment, however, as far as one can judge, the debate on the Address in the other House will continue for some days. The Prime Minister indicated yesterday, that at the conclusion of that debate resolutions relating to war expenditure would be placed on the Order Paper. These, no doubt, will require long discussion, so I think we shall be safe in adjourning until the 7th of March.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

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

Hon. SALTER A. HAYDEN: Honourable senators, I desire first of all to congratulate the mover (Hon. Mr. Johnston) and the seconder (Hon. A. L. Beaubien) of the Address upon the high standard which they set in this debate, a standard which was maintained by the speakers who followed them. I cannot, however, pass entirely over what they said without making one or two observations. In one of these I think possibly the leader opposite will join. The mover of the Address called attention to the fact that there is now money in his province, Saskatchewan.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAYDEN: I felt happy over that, because for a long time the cities of Toronto and Montreal have been accused of all the sins which follow the possession of money. Now Saskatchewan can be added to the list, and so in some ways share in the criticism. I was struck too, by the rather naive statement of the seconder (Hon. A. L. Beaubien). He said, in English, that he was not making a poli-

tical speech. I feel, therefore, that I have to describe his speech as a non-political political speech—

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HAYDEN: —non-political, because he said he was not talking politics; and political, because he did appear to take sides in a matter of political controversy.

After these remarks of a lighter nature, I must say that the information conveyed by both the mover and the seconder was of great informative value to the Senate, and will be of assistance to us in our consideration of the programme outlined in the Speech from the Throne.

I should like to refer to one or two matters arising out of a consideration of what the Speech from the Throne contemplates. I must say, in beginning, that a true picture of Canada to-day must have in the foreground a reflection of the full concentrated effort of the people of Canada to win this war. In everything we say and do we must emphasize that purpose. We must not, in anything we say or in anything we do, encourage or suggest any relaxation of the effort towards the successful termination of the war in favour of the Allied Nations. In that connection we must remember that our enemies are still strong. True, we are to-day in the ascendancy, but between us and utimate victory lie great trials and much suffering. If we would share in the victory, the zeal and the drive and the indomitable courage which carried us over perilous roads and through the bitterest attacks of the enemy must continue to inspire our efforts. For that reason, I must accord my full support to all such things mentioned in the Speech from the Throne as may be necessary to meet the requirements of war: for instance, price controls, wage controls, mutual aid and lend-lease. But in order to be true to the views I have always held, I must say that as soon as restrictive measures and controls become unnecessary in any respect to the prosecution of the war, they should be lifted immediately. The Canadian people, in view of the loyal support and co-operation which they have given in order to make price controls and other controls effective, are entitled to have that consideration extended to them as early and often as possible.

I think that in the background of the picture the post-war policy and plans of the Government must be sketched plainly and clearly for the people of Canada—so plainly and clearly that every person, no matter what his occupation or calling in life, will be able to understand and appreciate their full force and effect. In that background there must also be sketched the Government's policy and plans for our fighting men on their return from overseas, for business and post-war production, and for national security. When I refer to national security, I mean as it applies both to Canada and the larger field where it can be attained only by the putting into effect of measures that will guarantee world peace. For, whether we are in favour of it or not, Canada and every other country is to-day on a world highway. The throb of the war drum anywhere in the world has its reverberations in Canada and every other country. Likewise, in peace-time, suffering and the lack of economic sufficiency in any part of the world will sooner or later have an effect upon the economic life of every other part of the world. So no matter what plans and policies we may lay down and be able to put into force in Canada, in relation to business and to the welfare of veterans, we shall fall short of the required goal unless these plans and policies are in tune with an external policy that will assure to Canada a continuance of security within and without our country for generations to come.

On that point, may I, at the risk of wearying you, honourable senators, direct your attention first of all to the position of the veterans, as I have called them. The Speech from the Throne intimates that the fighting men, on their return, will receive certain benefits in addition to those for which Parliament has already provided in the Reinstatement in Civil Employment Act and through vocational training schemes and other such schemes. The Speech also contemplates a war gratuity, which I think might more properly be regarded as a mustering-out pay or remuneration designed to bridge the gap between the service man's wartime and peacetime activities. I regard that as most important from the point of view of our obligation to returning veterans. For when we reflect upon what the men of our fighting forces have done for Canada we realize that whatever we can give them, within reason and having regard to our country's resources, cannot be too much. They have placed at the service of their country all the skill and talent of their hands and minds. They have brought to the effort which they are making daily on behalf of Canada and the other Allied nations all the training and education which they received in their youth and early manhood. They have laid aside all their ambitions, all their plans and hopes of happiness in the future—some, unfortunately, for ever. They have changed the course of their lives; they have given up their families, homes and friends and their way

of life, in order to overcome the threatened destruction of all they love and cherish and desire to preserve.

For some of them that was a final and fatal step. Of those who come back, some will be changed completely by the action of war, so that new prospects must be opened up for them. Some will have become sobered much beyond their years and will require treatment in the light of their condition. Others will return with undiminished ambition, ready to pick up the broken threads of their business, their education or their training, or to re-assemble their plans and aspirations. Still others will have acquired new knowledge and new skills, which they will desire to adapt as soon as possible to civilian enterprise. For all these men we must be ready, because they gave their service and risked their lives without thought of gain, and on land and sea and in the air have written an amazing story of courage and accomplishment.

Shall we permit it to be said that when these men return we will not accord to them, to fit them for resumption of peacetime occupations, as much at least training and education as we gave to them when they joined the fighting forces of this country? Shall we permit it to be said that we are less eager to train and fit them for absorption into peacetime occupations than we were to train and fit them for the art of war? I think in the Speech from the Throne we find evidence of a firm desire on the part of the Government, and I may say of the country, to accord to the fighting men of Canada every consideration possible, so that they may be fitted to resume their peacetime occupations. We have borrowed from them a period of their lives which has gone forever, and we owe them at least the same care and attention as we propose to give to the conversion of wartime industry to peacetime production. Surely as much effort and consideration as will be given to that conversion, which is so necessary for the continued prosperity of Canada, should be extended to the changing over of the manpower of our country from wartime pursuits to proper peacetime occupations.

So I say the most important measures in the programme envisaged by the Speech from the Throne are those which relate to the care and attention, and the opportunities for training and education, to be given to the men of our armed forces on their return to Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAYDEN: May I say, secondly, that in the interests of our national economy business is also entitled to know as early and as definitely as possible what is to be its position in our post-war economy, particularly as regards taxes. I am glad to note that the Speech from the Throne forecasts an early clarification of this. Industry cannot plan freely for the years to come without having a clear understanding of what tax burden it will have to bear. Some indication of how large this may be was given in a statement made the other day by Mr. Mackintosh, special assistant to the Deputy Minister of Finance. He suggested that in peacetime years Canada's national income might well be between the total of our pre-war income and the national income of war-time, or somewhere in the vicinity of 6½ billion dollars a year. He also indicated that in order to meet our debt charges and give full effect to our social programme and our programme in relation to veterans we should have to consider a Government income from taxation of between a billion and a half and two billion dollars a year.

That would be a tremendous burden of taxation for Canada in peacetime. Therefore it becomes doubly important that we should consider with great care just how and to what extent we shall impose a programme of social reform upon industry and the people of this Dominion. I think, however, that the programme of social reform outlined in the Speech from the Throne is fair and progressive, and that with proper administration both industry and the people can support such a programme at this time.

But I have to sound a note of caution. If we adopt what is termed "planned economy" or "economic nationalism"—which I regard as another term for rationed poverty—we cannot carry out this programme. In order to maintain the national income at the standard indicated by Dr. Mackintosh, we must be in a position to deal with the other countries of the world. And, remember, we have to face the prospect that they will want to revive their own national economies, and will be without the means of exchange to pay for our goods. This being so, we shall have to evolve some system of promoting trade. Therefore it is highly important—and I do not think the people of Canada can be told too often just how serious and important it is—that in the years which immediately follow the war we have in control of the Government of Canada people who, in the economic sense, are right-thinking people. The success or failure of Canada after the war will depend on what policies are laid down and how negotiations are carried on for trade agreements with other countries.

That brings me to a consideration of some of the statements made recently by—shall I call them—state socialists, reflecting in some

degree upon this body. We have been told that unless the Senate supports the policies of the state socialists it will be abolished. Industry and finance have been told that if they oppose those policies they will be prosecuted and jailed. I wonder what is meant by "oppose," for to-day it is no crime for the state socialists to oppose governmental policies. They are doing so to-day, yet they have not been denied free speech. From my knowledge of the history of this body I can recall that there have been times when notwithstanding a Conservative majority in the Senate, policies of a Liberal government were permitted to become the law of the land.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAYDEN: I can recall also when that situation has been reversed. So when we are told, "Unless you support our policies you will be abolished," I think the threat indicates something more than what one ordinarily might take out of those words. To me it indicates the mental attitude of the persons who make those statements; it indicates a lack of any such sense of responsibility as should be in the minds of those who are attempting to assume the administration of our national affairs.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAYDEN: It also indicates either a lack of understanding or a blatant disregard of our Constitution, which came into effect at Confederation as a result of an agreement or compact made between the various provinces of Canada. The representatives from New Brunswick were the first to insist that there should be a second chamber and that it should be non-elective; they also insisted that the number of senators should not be subject to change, and they stated the reasons for their stand. They wanted to protect the rights which, as a minority, New Brunswick then enjoyed, and they did not want those rights to be subject to the whim and fancy of any group that might come into office at any future time. They insisted on the understanding that the members of any such group should not be in a position to swamp the Senate in order to enforce their own will at any particular time. The representatives of New Brunswick laid that down as a term of Confederation, and the representatives of Nova Scotia and Quebec joined them in that stand. As a result you have certain specific provisions in the British North America Act.

Now, to those people who make the statement, "If you do not support our policies we will abolish you," I say: Do you propose to abolish the Senate by constitutional means or otherwise? If by constitutional means, it must be by consent of those provinces which made the condition I have mentioned a term of their entry into Confederation.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAYDEN: So long as the Constitution remains what it is I shall feel bound, as I am satisfied all my fellow members will, when considering any measure that comes to this House—whether from a state socialist or any other government—to apply first of all the tests: Is it within the provisions of our Constitution? Does it do violence to the rights of minorities? And, lastly: Is it for the benefit and advantage and in the best interests of the people of Canada as a whole? I submit that that is a fair position for this body to take, and it is a position I will take, notwithstanding any threats that may be made, because I refuse to surrender my functions and authority as a member of this Chamber in order to further the purposes which any group temporarily in authority may desire to effect.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAYDEN: But the state socialists go a little further than I have yet indicated. Their statements point, not to democracy, but to the very negation of democracy. To say, "You must not oppose the policies of the party in power, otherwise you will be jailed," is not democracy, but totalitarianism; that is, national socialism. Hitler took that stand when he came to power, and we all know what happened to anti-Nazi parties in Germany. If we are to develop Canada as a country where there is to be but one opinion, that is the sort of statement we should make. We should not brook any opposition. That statement reflects the kind of mentality behind it. Yet a system under which "there must be no opposition" is what we are heading for, if we are to draw the obvious conclusion from statements that have been made in a general way by the advocates of state socialism.

Let me got a little further. In the programme envisaged in the Speech from the Throne there is a message of social reform which takes us a long way on the road to considering the human relationships of our people as more than a mere something to be weighed in the balance and paid for on a poundage basis. We put a higher value than that upon human relationships and human rights. In order that my position may not be misunderstood, may I state emphatically my views with regard to the wage-earner who has to obtain his living either by the skill of his hands or mind. I think every

person is entitled to an opportunity of engaging in work from which he will derive for himself and his family a decent and comfortable living and some measure of happiness. I think it was intended that we should do our utmost to ensure the fullest measure of comfort and happiness to as many people as possible during their active life, which after all is not very long.

This social programme goes a long way, almost as far as any special programme in any country has gone, towards providing insurance against unemployment and freedom from the fears relative to sickness and old age that are constantly in the minds of workers. The Speech from the Throne also indicates that a housing programme will be undertaken.

But our state socialist friends say: "There are certain things we propose to do when we come into office. First"—and this again I think indicates their mental processes and their desire for power at any cost, rather than any particular sympathy or consideration for the masses of the people—"First of all we propose to take over the banks. We will expropriate the shares and acquire the properties and assets of the banks."

This proposal suggests a few questions. First, is it proposed to expropriate the shares of the banks in order to extend credit facilities so that more people may be able to secure loans, thus taking the credit risks which banking experience has taught should not be taken with other people's money? If that is so, those facilities are already available through the Bank of Canada, directly or indirectly, by the guarantee to the banks of such loans. Is it intended to get hold of depositors' money and use it for this and other purposes at the will of a socialist government? If that is the case, then bank depositors should be so informed. But what if the depositors decide they do not want to leave their money in the banks under those terms? Will they be allowed to withdraw their deposits, or will those deposits be frozen? I think those are questions that the people who by thrift have built up savings accounts should consider, and questions that in the interests of the people of Canada should be answered. May I suggest that at the back of the scheme to take over the banks lies a desire on the part of state socialists to secure financial power, so that they can say to any Canadian: "Unless you support us and our policies you shall have no credit. The price of your securing financial assistance to engage or continue in business is your support of the policies of state socialism." Any government that had such power could enslave the people. May it be assumed by any chance that that is the prime purpose of state socialists in stating that when they assume power their first policy will be the acquisition of the shares of the banks of Canada?

At the risk of wearying you, may I refer to one or two other points for a moment? The state socialists propose taking over the life insurance companies. Speaking from the experience I have had in the practice of law for a number of years, I know of no way within the scope of our constitution or law—under either the War Measures Act or any peacetime legislation—by which the Government could take over the life insurance companies. Further, I know of no other enterprises from which people can receive back so large a percentage of their money in profits as from life insurance companies, even those companies which have shareholders. The socialists tell the people of Canada they are going to take over the machinery which affords wage earners the opportunity, as nothing else does, of building up reasonable security for themselves. One cannot help wondering whether this item on the programme of state socialism is not part of a desire to grasp financial dictatorship.

Then, of course, there is a company that has been in the public eye for some time, the Aluminum Company of Canada, the taking over of which is number three on the programme. Has anyone ever stopped to think how this would be accomplished, even under the provisions of the War Measures Act? I know of no provision by which it could be done in peacetime—without first passing a measure declaring the company to be a local work for the general advantage of Canada. Here is the situation it would lead to. Even if it were possible to expropriate the refinery, the railway, the townsite and the power development, the socialists would still lack the raw material, which is located in British Guiana.

In view of the statements that have been made, must there not be some deep-seated, underlying motive behind this front that is built up in order to encourage the support of the people of Canada? To me it indicates in every aspect the setting up of two classes of people, the "haves" and the "have nots," and the replacing of the phrase "Love they neighbour" by "Covet thy neighbour's goods."

I could go on examining into other phases of state socialism, but I believe that when people realize what it involves and the vague generalities in which it has been discussed, they will agree that it is about time the issue was forced and the advocates of this system compelled to get down to concrete facts. How do they propose to create more employment in Canada? How do they propose to guarantee to the people of this country an income enabling them to live in comfort and free from

fear of want? That certainly cannot be based on a planned economy which would put barriers around our country. It cannot be accomplished by taking over the Aluminum Company, 95 per cent of whose business is export, and other large concerns the bulk of whose products are sold in the markets of the world at prices governed by world conditions. Whoever operates these businesses must operate them on a basis which will permit the goods to go into world markets in competition with the products of other countries. It is only in that way that we can maintain our position in world markets. I say that state socialism and world trade extensions are incongruous or contradictory terms.

Again I come back to this point, and I am through. When these people ask what is wrong with Canada, one is inclined to look back at our past history. On doing this, I for one am inclined to say there is nothing wrong with Canada; that if there is anything wrong in Canada it is in the thinking of some of its people. This country has developed greatly, both industrially and in the matter of standards of living, and I think we enjoy one of the highest standards of living to be found in the world. Yet we are told there is something wrong with Canada, and that the only way to correct it is to disregard past experience and principles, to start all over again on some new and untried theories which involve as part of their operations the tearing down of all large industrial concerns in this country. To my mind this indicates only a desire on the part of some people to become bosses.

Where have we got in Canada to-day and how have we reached that point? We have got to our present position not through free enterprise, but through private enterprise. According to my definition, there is no such thing as free enterprise. It is private enterprise, subject to such rules and regulations, legislative and administrative, as have resulted from the experience of generations. By trial and error over many years regulations have been evolved in the interests of and for the protection of the people and the communal life of the country. We have built up a system under which private, municipal, provincial and federal enterprise join in the development of power and other industrial undertakings in this country. Whenever it has been settled that something which is useful and necessary to the best interests of the people cannot be undertaken by private enterprise, the federal or a provincial or municipal government has stepped into the field and operated the undertaking in the best interests of the community. We have included the best features of private enterprise and of public ownership. To say that the cause of all our trouble and difficulty to-day is the continuance of private enterprise in industry is to say something that cannot stand reasonable examination, because private enterprise has been subject to control in the the interests of the people, subject to taxation in the interests of the people, and, during wartime, subject to such taxes that it is not permitted to accumulate profits resulting from war production. One hundred per cent of any excess earnings or profits of war industry, based on average earnings for four years prior to the war, are taken away, with the proviso that there will be a refund of 20 per cent after the war. The object of this is to prevent any one from profiting by the war. Yet, despite all the restriction and all the regimentation to which we have been subject, we are now told the whole system is wrong; and in the next breath we are told that the only thing that would revive industry is definitely more regimentation, which is the essence of state socialism.

We in this House have a very serious responsibility, not only to ourselves, but to the people of Canada at large, and I for one am satisfied that honourable members will discharge that responsibility without fear or favour. I am not pre-judging the case for state socialism, but I am stating what appear to me to be some strong objections to the working out of any such policy. If reasonable argument can be presented to support such a principle in government, notwithstanding what I have said here, I am prepared, as to the subjects and principles to which I have referred, and others with which I have not dealt, to give consideration to this argument when it comes before this House; but whatever government may be in office or whatever policy may be propounded in another House, so long as I have the health and the authority to do so, I shall exercise my own judgment on all questions coming before this House, whether the threat of liquidation follows such action on my part or not.

Some Hon. SENATORS: Hear, hear.

Hon. JOHN T. HAIG: Honourable members, may I first be permitted to congratulate His Honour the Speaker on returning in good health and good spirits to the duty of guiding the deliberations of this Chamber. I also wish to congratulate the leader of the Government (Hon. Mr. King) and the leader on this side (Hon. Mr. Ballantyne) upon being back in their places with renewed vigour for taking part in our deliberations.

Like my honourable friend from Toronto (Hon. Mr. Hayden), I was delighted to hear

from the honourable gentleman from Central Saskatchewan (Hon. Mr. Johnston) that gold was flowing down the streets in his province. Well, it has not reached Manitoba yet, but as the watershed is towards our province I hope we may get some of that gold before the year is out.

Hon. Mr. STEVENSON: You get most of it, anyway.

Hon. Mr. HAIG: In seconding the Address, the honourable senator from St. Jean Baptiste (Hon. Mr. Beaubien) made some criticism of the leader of the Progressive Conservative party. My memory of political affairs in Manitoba goes back some twenty-two years, and I cannot recall that the honourable gentleman ever before criticized any action of Hon. John Bracken.

Hon. A. L. BEAUBIEN: He used to be in a different camp.

Hon. Mr. HAIG: Surely my honourable friend will not say that the camp makes any difference. A man is himself, whatever camp he may be in. If he is a good man in one camp, he cannot change over night and become a bad man in another camp.

I understood the honourable gentleman from Toronto (Hon. Mr. Hayden) to say that his speech of this afternoon was not a political one. It may be that with my limited experience in politics I am not a good judge of a thing like that, for I certainly thought it sounded like a strong political speech against one of the parties in this country. Of course, he may not have intended to make a political speech at all. I hope to deal with his remarks a little more fully before I finish, but just here may I suggest to honourable members that the approach he made to socialism was the same as that of most men or women who have not had a long experience with the socialist party. It happens that no other province has had as long experience with socialism as Manitoba. The first socialist was elected to our legislature thirty years ago, and there has been at least one member of that party there ever since. In 1920, ten of the fifty-five members were socialists, and to-day there are five socialist members. In addition, we have had socialists on our school boards and municipal councils. And the first socialist elected to another place was from Manitoba.

As to the Speech from the Throne, if I were talking in a political way this afternoon I should say it was a good campaign speech.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: I should say it was a first-class campaign speech. If I were a Liberal member of the House of Commons, or a prospective Liberal candidate in any part of Canada, I should regard it as a pretty good document. If there was any hope of my getting elected as a Liberal candidate, I should think I had a better chance on that document than on any other of which I know.

Hon. Mr. HORNER: But the honourable gentleman would not think there was any hope, would he?

Hon. Mr. HAIG: I did not suggest there would be any hope.

I am very glad to hear that there is going to be a conference with provincial representatives. Every one of us, whether formerly Conservative, Liberal or Independent, thinks the world of this Canada of ours, and we want to do everything we can to make it a fit country for the men and women of the armed services and of war industry to live in after the war is over. But let us not build castles in the air. I congratulate the Government upon its intention to have a Dominion-provincial conference, because under our constitutional system it is impossible to handle some problems in an equitable way without first consulting the provinces.

I want to say to the honourable leader of the Government in this House (Hon. Mr. King) that the Government of the day must show a greater willingness than it has ever shown before to participate in the burdens now being borne by the provinces and municipalities. I am sure that the provinces of Manitoba, Saskatchewan, Alberta, Prince Edward Island, Nova Scotia and New Brunswick —I cannot speak as to the others—are unable to undertake a reasonable policy of reconstruction without proper assistance from the Dominion treasury. The radio programme entitled "Of Things to Come" always ends up with a suggestion that the Dominion Government pay the cost of a suggested project. I am not advocating that kind of thing. What I should like to see is a well-considered policy of reconstruction, agreed to by the federal and provincial governments. I am willing to have the necessary legal powers placed in the hands of the Dominion, but I should not expect it to assume the cost of whatever schemes may be suggested, no matter how fantastic. For example, if Manitoba proposed the building of a canal from Winnipeg to Fort William, I should not consider that a very wise proposal and should not blame the Dominion for vetoing it. But Manitoba ought to be given aid towards the cost of constructing highways, extending the hydro-electric system throughout the province and carrying out a proper housing scheme. After the war the people of the West will be demanding better highways,

increased hydro-electric facilities and up-to-date housing, and the Dominion should not adopt a niggardly attitude in respect to its proportion of the cost of any of these things.

I agree entirely with what was said by the honourable leader on this side (Hon. Mr. Ballantyne) as to the need of more housing accommodation. A long-range policy should be adopted now. What is chiefly responsible for the present housing shortage is, not so much lack of Government assistance as the inability of contractors to obtain building materials. I am thinking at the moment particularly of houses that would sell from $3,000 to $6,000. In Winnipeg, and I believe in most other cities, private contractors who are more efficient at house-building than at any other occupation would provide a great deal of the lacking accommodation if they were able to get supplies. I am not blaming the Government, but I hope that materials will be released just as soon as it is possible to do so without injury to the war effort.

The honourable leader on this side yesterday described the housing conditions in Montreal as appalling. I could relate some unpleasant facts about Winnipeg. A recent survey by the Housing Commissioner of that city showed deplorable instances of overcrowding. For instance—I hardly like to mention this in the presence of our lady members—one house, with a single bathroom, was occupied by nine men and eight women. That is intolerable. Are our boys fighting to preserve a state of society in which that kind of thing will continue to be possible? Honourable senators, that is barbarism—in fact, it is worse than barbarism. The proper housing of our citizens in the low income groups is a problem that must be solved. I do not like the giving of hand-outs to people, believing as I do that it is better for men and women to earn their own living. Yet, we all know that in Canada, as in every other country, there are some who, because of poor health or other handicap, are financially unable to house themselves properly.

Consider the position of a man earning $100 a month in Manitoba. Honourable senators, I do not know how any one with such a small income can provide a well-heated house, warm clothing and good food for himself and a family. There simply has to be some form of state aid if people in that class are to live in decent houses. But the cities alone cannot bear the burden. The high costs of relief in the depression period from 1931, say, to 1938 were apportioned among the Dominion, provincial and municipal governments, and it was found that some cities could not sustain their share. Why should the people who happen to live in cities that are in good financial condition be better treated than their fellow Canadians in some other cities?

I want to make one or two criticisms of the Government. First, let me say something about the mail service to the men in our armed services overseas. That service is rotten. On the 21st of December a young man in England sent a letter by air mail to his mother in Winnipeg, and it did not reach her until twenty-three days later. Another letter, written on the 28th of December, also sent by air mail, required thirty-one days for delivery. Letters from his mother are not received by him in England until twenty or twenty-two days after being posted. Honourable senators, that state of affairs ought not to be permitted to continue. You have only to read letters from the boys and girls overseas—whether in England, Italy or Africa—to realize that nothing does them so much good as news from home. The delivery of this overseas mail is as important as the delivery of ammunition. A boy whom I know very well asked, in a letter to his mother, "What is dad doing?" Before he left home that boy never inquired what his dad or his mother was doing, but now that he is over there he is eager to know about these things. Why should it be impossible to get a letter to him within two weeks? An airman in Winnipeg told me there was going to be an improvement in the service. Whether that is so, I do not know. What I do know is that at present the delivery service is downright rotten.

Hon. Mr. FARRIS: May I ask the honourable gentleman if he was able to get any explanation as to the cause of the delay in delivery?

Hon. Mr. HAIG: That kind of thing has been going on for a year. Sometimes it takes three months for delivery of a paper over there, and six or seven weeks for a small parcel. If you have a boy over there you know something about it.

Hon. Mr. FARRIS: I am not criticizing my honourable friend; I am just wondering whether he was able to get any explanation.

Hon. Mr. HAIG: I made all the inquiries I could from airmen in Winnipeg, and was told there would be a better service.

Now I pass to another subject. I want to commend the Government for the steps it has taken to prevent inflation. This is a policy that I support wholeheartedly, and I hope it will be maintained. Some little things in connection with its administration have caused a good deal of annoyance, and while in a political sense this is a good thing for the

Opposition, I am not going to deal with it from that point of view. The situation is not quite as bad as it was, because after the Liberals had a conference in Ottawa last September a few regulations were modified. I rather suspect that somebody told the Government a thing or two in pretty plain words. But there is still much ground for criticism. For instance, a recent order provides that my barber may not charge me more than thirty-five cents for a hair-cut. Now, what has the price of a hair-cut got to do with inflation? In Winnipeg some barbers, who charged fifty cents, were even brought into court and fined. Well, I have paid my barber fifty cents for the last twenty-five years.

Hon. Mr. BARNARD: The honourable gentleman has a lot of hair to cut.

Hon. Mr. HAIG: If I had as much hair as my honourable friend, the barber would certainly earn fifty cents. Those are irritating little things that make it hard to administer the policy. Therefore I suggest that the Government seek the advice of three or four politicians.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: They will tell the Government not to do those silly things, which irritate the public and offset any good results of the policy.

A word or two on income tax. In many cases it amounts to double taxation. We have taxation where there should be none at all. Recently an editorial writer in the Free Press pointed out that a company is taxed on its profits, but a shareholder with a small income pays no tax at all. How industry—and, bear in mind, I am not a champion of industry—can hope to reconstruct itself after the war with 100 per cent tax on its profits, is beyond my ken.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: I do not see how it can do so. I do not like to pay taxes, but as long as the war lasts the Government needs the money, and I am quite willing to pay my share. After all, it is not a hundredth part as much as the boys are paying for us at the fighting front. But after the war is over taxes will have to be reduced if we are to carry on in this country. The income tax situation should be carefully studied and so dealt with as to give maximum encouragement to people earning under $3,000. In my opinion the initial tax at 30 per cent, plus 7 per cent, is far too high.

My next criticism is directed to the carrying out of the Selective Service regulations. In Winnipeg the officials are doing their best, but their work has increased considerably since recent lay-offs from some kinds of employment. Personally I think there are more jobs under the control of the Selective Service officials than there ought to be.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: I do not see why the white-collar brigade, such as accountants, book-keepers, stenographers and others of that class, should come under the regulations at all.

An Hon. SENATOR: Hear, hear.

Hon. Mr. HAIG: I quite understand that when men come within the age category of 18 to 40 years they should be subject to control for war purposes. But take the case of an accountant, 45 years of age, who desires to get a job with another firm. I presume honourable members know what happens. Suppose I, wanting an accountant, hear that Mr. So-and-So is available. We must not communicate with each other. So I send my auditor to the accountant. He says to him: "The Haig firm want an accountant. Their application is No. 42." The accountant goes to the Selective Service office, runs through the list and says, "I will try No. 42." An official asks him, "Have you consulted with Mr. Haig?" He answers, "No, not at all." In a sense that is the truth, but really it is just camouflage. Of course, he gets the job. I do not think that procedure should be necessary in relation to persons over military age. I repeat, in my opinion the white-collar brigade should not come under this control.

We are told that from 60,000 to 70,000 men have been called up under the Selective Service regulations to become members of our home defence army. They remain in that army because they have refused to go overseas. Of course, I am not forgetful that Kiska and Newfoundland are regarded as being within the boundaries set for home defence. Many of the men assigned to this home defence army might be much more usefully employed.

In support of my statement let me give honourable senators one out of a dozen cases that have come to my notice. I know a farmer in our province with a section of land, all under cultivation. He is 65 years of age and has been under the doctor's care for two or three years. He has two boys. He owns fifteen head of cattle, including nine milch cows and ten brood sows. Last year he raised 7,000 bushels of wheat, 1,000 bushels of oats, barley, clover, and so on. Selective Service takes one of his boys into Winnipeg, where about all he does is to go through a certain amount of drilling. Now, if the Government

says, "That man is needed overseas," I am willing that he should be taken off the farm; but for the life of me I do not understand why he should spend his time performing drill exercises. Application was made to get him back on the farm, but the authorities would not release him. We want greater farm production. But what is that farmer going to do? He will sell all his cows but one, as well as all his hogs, and raise grain.

I might cite another case, of a farmer with a family of two girls, one 13 years old, and the other 11, and a boy of 9. That man, being of military age, has been called up. Speaking from memory—I have the particulars in my office—last year he raised about 12,000 bushels of grain. He has thirty head of cattle and fifteen milch cows. I tried to get him off, but was told, "Oh, no, you cannot." Now, until that man is sent overseas I would urge that he be given leave of absence to operate his farm.

When the war is over farm products will be as important as guns are to-day, for unless we feed the people of the countries now under German domination there will be a revolution. We cannot feed those people if we discourage farm production. Do not be persuaded that we have an inexhaustible supply of grain in the present carry-over. That grain will slip away very soon; this year alone 100,000,000 bushels will be needed for export. There has been no rain or snow to speak of—this is the driest winter we ever had—and we are faced with prospects of poor crops. In fact, we may have a crop failure. In Alberta they have rain or snow in season, but that condition does not apply to Manitoba. I am not pleading for these young men to be let off. If they are to be sent overseas, I hold up both hands in approval; but if you do not need them overseas, then for God's sake take them out of the Manitoba University grounds and send them back to the farm. One of the young men whom I know told me, after having been in Winnipeg for a few weeks: "This life is a snap to what Dad would make me do at home. Every second or third night I can go down town. I get three good meals a day, and just enough exercise to give me an appetite."

Hon. Mr. SINCLAIR: May I ask if that man made application for postponement?

Hon. Mr. HAIG: Certainly.

Hon. Mr. SINCLAIR: It went before the board?

Hon. Mr. HAIG: Certainly.

Hon. Mr. SINCLAIR: And the boy was willing to stay at home?

Hon. Mr. HAIG: Certainly.

Hon. Mr. SINCLAIR: Then the fault is with the board. That criticism is not applicable to boards in other parts of Canada.

Hon. Mr. HAIG: I have given you a case where the application was refused. The policy as a whole should not be to take farmers' sons unless it is intended to send them overseas. As the honourable leader on this side (Hon. Mr. Ballantyne) said yesterday, these men should be given leave of absence. They can always be recalled to the army when the need arises. I do not suppose the Government knows anything about this situation; but, unless it is changed, farm production will not be maintained. In the circumstances I have mentioned, farmers will sell their cattle and hogs and cut down on their production of grain.

I come now to the question of labour. We have to recognize that labour is entitled to representation on all public bodies dealing with labour problems, and to the opportunity of presenting its views on such problems. At the same time it must be remembered that with privileges go duties. Honourable members will recall a strike in Montreal which the Minister of Labour and the officers of the union concerned declared to be illegal; but the men walked out notwithstanding. That kind of problem is one that we have to deal with.

Let me say a word or two to my friends of the C.C.F. The honourable member from Toronto (Hon. Mr. Hayden) called them state socialists, but I prefer to use the old name by which we know them. The C. C. F. have told us that when they get into power they will abolish the Senate. If they cannot do it by fair means they will resort to foul. The threat does not worry me, for I think that if the whole ninety-six of us were relieved of our duties here Canada would go on just as usual. But I do not believe the abolition of the Senate would solve any of our problems. If honourable members will look up the record of this Chamber they will find that from 1896 to 1904 the Senate was controlled by the Conservative party, while from 1904 to 1916 it was controlled by the Liberal party. The only conclusion to be drawn is that just as soon as either party got control of the Senate it lost control of the House of Commons. "You pays your money and takes your choice." From 1917 to 1936 the Conservatives were again in control of this Chamber. Now control has passed to the present Government. With all due respect to my honourable friends opposite, let me say to them: "When the next election comes you are going to have an awful struggle; you may not be defeated, but you will know you are in a battle, and your majority, if any, will be

an indication of what is going forward." No doubt one of the purposes of the Fathers of Confederation in establishing the Senate was to protect certain minority rights, but their primary purpose was to prevent the passing of hasty legislation. As Sir John A. Macdonald said, "There may arise in this country some parties that will want to do away with property rights." Does that not sound familiar to us?

An Hon. SENATOR: It does just now.

Hon. Mr. HAIG: Suppose the C. C. F. were to carry the country to-morrow and bring in radical legislation, which we rejected, and a few years later made that proposed legislation an election issue, and were again returned to office. This House would then have to accept the legislation. The Conservative Government under Bennett introduced legislation for the purpose of appointing a commission to manage the National Railways. In 1936 the present Government brought in a bill for the appointment of directors by Order in Council. The Canadian National Railway System was going behind to the extent of twenty, thirty, forty million dollars a year. Mr. King promised, in the 1935 campaign, "If I am returned to power I will solve that problem." On assuming office he came forward with his bill and said, "That is our solution of the problem." Did this House reject that bill? We on this side had a majority and could have rejected it, but because that bill had been an election issue we did not reject it.

I would not vote for legislation to put people in jail because of their opposition to the government of the day; but if the C. C. F. were returned to power a second time, I for one should feel bound to vote in favour of such legislation. In short, the Senate is not supreme; it must obey the will of the people as expressed at the polls. If after proper consultation the people want us to do a certain thing, we are in duty bound to do it.

The next item I shall refer to is the financial institutions. We hear that the banks would be taken over. In that connection I agree with every word the honourable senator from Toronto (Hon. Mr. Hayden) has said. The men and women who advocate the taking over of the banks by the Government have to show us, first, that it would be satisfactory to the people, and then how it would be done. The four million depositors in the banks will want to know what is going to become of their money. Any party that advocates taking over the banks should say just what it intends to do.

Then comes the question of insurance. I was surprised when the C.C.F., through their chief statistical man in Halifax, made the announcement that they were going to do terrible things to the insurance companies of this country. I am advised that there are about four million policyholders in Canada. I am not particularly interested in the shareholders or the companies themselves, but I am interested in the policyholders. True, I am a shareholder and director in one small company, but my main interest in insurance is due to policies which I have with several companies. If I should pass on before my wife, I want her to have that insurance; I want to know that those policies are all right. I think the other 3,999,999 people who own insurance policies have similar sentiments.

As a practising lawyer, in the administration of estates there have come to my attention numerous cases in which the only assets consisted of a house and one or two policies of insurance. The very fact that the companies issuing policies have been challenged makes thousands of people uneasy as to what their position may be. I do not think it is necessary to ask for an investigation of the insurance companies; I do not think the policy holders have the slightest doubt about the soundness of the companies. Furthermore, it must be remembered that in the case of the mutual companies, of which there are many, 95 per cent of the profits go to the policyholders. A number of things combine to make a life insurance policy one of the best assets it is possible to have. One puts money into life insurance, not to make a profit, but to provide that if something should happen to him someone else will be protected. It is quite true that if I should live to be 75 the insurance companies will make a fat thing out of my policies, but if I had died at 45 my wife would have been protected for life. Life insurance makes for stability. I know of women who have struggled for years to pay premiums and keep policies alive just for the sake of protection; and I may tell honourable gentlemen it is heartening to see their satisfaction when, upon the death of their husbands, they realize that the policies have been preserved. Any challenge with respect to the companies upsets the equilibrium of the policyholders, and I say no party has a right to make such a challenge unless it is accompanied by a complete statement as to what that party is going to do and how it is going to do it.

Hon. Mr. HORNER: With old age pensions, why worry about life insurance?

Hon. Mr. HAIG: People would not be very happy on pensions. Twenty dollars a month is a pretty slim pittance.

Hon. Mr. HORNER: It is going to be $40 now, or $50.

Hon. Mr. HAIG: I hope so, but I doubt it.

Another peculiarity of the C.C.F. is this. In the cities, they say they should have the support of Labour, and they say that if they are elected Labour will secure better wages. On the other hand, what do they say to the farmer? They tell him: "You are downtrodden by the capitalists. Come in with us and we will protect you." But what are the facts? In 1884 my father bought a binder from the Massey-Harris Company for $175. To-day, although the dividends of the Massey-Harris Company are about the same as they were in 1884, a similar binder would cost the farmer $250 or more.

Hon. Mr. HORNER: $350.

Hon. Mr. HAIG: Around $265 or $275. The additional cost to the farmer is the cost of labour. How the farmer, who is a capitalist of the capitalists, can combine with the C.C.F. and Labour, I do not know; and how the C.C.F. can go to the farmer, who has to sell in the world market, and expect him to pay a higher price for the things he needs, is beyond me. So much for the C.C.F.

What of the future? The Speech from the Throne makes reference to health insurance, social security, education for returned soldiers, and so on. To my mind we in this Dominion are very backward in the matter of education. To begin with, our teachers throughout the country are not paid enough for the services they are expected to render. Just think of a young woman of 24, graduate of a university and holder of a certificate granted to her upon the completion of a year's course in teaching, being called upon to take charge of a class of 44 children for the magnificent sum of $75 a month. I do not know how parents expect their children to secure an education under such circumstances. If that young woman is capable of teaching 44 children, she is worth a lot more than she gets. The situation in our rural schools is positively outrageous. Nevertheless, education is absolutely essential if this Canada of ours is to make the progress it should make. I am not interested in the teaching of English in Quebec or of French in Ontario, but I am interested in the problem of providing our people with a decent education. That problem is one which the provinces cannot solve without the assistance of the Dominion, and some standardization of teachers' salaries should be the first consideration of any government of this country. Education is one of the fundamental things of life. Home training and religious training are all to the good; but to give boys and girls a chance in the struggle for a living you must educate them, and they should be educated along lines that will make them more useful in the community. Until five years ago subnormal children in the city of Winnipeg were taught in the general classes, and learned nothing. To-day there are special classes for these children. Education is most important in its influence upon the welfare of our people.

Another matter that should be considered is the extension of rural electrification throughout the Dominion. Rural electrification is progressing in Manitoba. When it started it was said we should lose money, but last year the system made the largest profit it has ever made. Electricity is going into farm homes, where it lightens the labour of all concerned, particularly of the women.

Highways also are tremendously important. After the war our American cousins will want to come and see this country. In Winnipeg to-day we have, I suppose, 500 American soldiers; and there are many in Edmonton, Calgary, Regina and other cities throughout the country. They will want to come back, and their families will want to see "the town Dad lived in when he was a soldier." If we provide the necessary facilities they will return, and constitute a paying traffic. So much for that.

As was very well said by the honourable senator from Toronto (Hon. Mr. Hayden), and the honourable senator from Peterborough (Hon. Mrs. Fallis), our first duty is to the men who come back from overseas. Whether they have been wounded or not, they should be our first care. We have got to put them back into jobs, so that they may know not only that we have done our duty in providing them with the munitions of war, but also that we recognize the tremendous sacrifices they have made. Nor must we forget the women who went into the services, nor the men and women who served in war industries. In the meantime, let us carry on the war with all our might and bring nearer the day when Europe will be liberated. I hope the day is near at hand when those parts of China, India and other eastern countries that are now under enemy control will be free, and that we as Canadians will then do our part in helping to get their affairs in good working order. The task will be a difficult one, and we shall have to support our Government in whatever efforts it makes along that line, for we ought never to forget the terrible sufferings of those people of the Far East, and how relatively light our sacrifices have been.

Hon. CAIRINE R. WILSON: Honourable senators, may I congratulate the mover (Hon. Mr. Johnston) and the seconder (Hon. A. L. Beaubien) of the Address in reply to the Speech from the Throne, and all those who have already spoken in this debate? I should like particularly to endorse the statements of the honourable senator from Toronto (Hon. Mr. Hayden) with regard to our debt to those who have gone overseas to fight for us. May we who remain at home render the best service that we can and do all within our power to see that the men and women of our armed services are properly treated when they return.

I should also like to endorse strongly the remarks made by the honourable senator from Winnipeg (Hon. Mr. Haig) with regard to education. I feel it is a crime that in our country teachers, to whom is assigned the most important work in our communities, should be so poorly remunerated, and that so many of them should have given up this valuable work to do other work which for the time being, unfortunately, has been given a priority rating. As chairman of the Education and Publicity Committee of the Victorian Order of Nurses, I was highly pleased by the remarks made with respect to the Order yesterday by my honourable colleague from Peterborough (Hon. Mrs. Fallis). The Order is indeed carrying on a very worthy work. When I took over the chairmanship of the Education and Publicity Committee, we had 80 branches in Canada. There are now 99, and I strongly hope that shortly we shall have the one hundredth. But, after all, our sphere is very limited, extending as it does to only about one-third of the people of Canada. More than half our branches are located in Ontario.

Our sphere is bed-side nursing. Last week I visited the mining country, and was much interested to learn how varied are the duties of some of the Victorian Order nurses. For instance, the day I was in Cobalt our nurse there told me that she had been stopped that morning on the street by a woman who said to her, "Miss Williams, can my neighbour put up a barn next to my property?" The nurse had not expected to be asked for a legal opinion. The professional care of the health of that community rests with her and one resident physician.

As no previous speaker in this debate has touched at any length upon health insurance, I should like to deal with some features of this subject. I think that to-day the opinion is very generally held that the national health insurance plan is useful legislation. It has been described as an emergency measure, which it probably is, but ever since 1929 the Department of Pensions and National Health, on the recommendation of a select committee of the House of Commons on Industrial and International Relations, has been conducting a survey on the subject. In June of 1941 there was a meeting in Ottawa of the Dominion Council of Health, which comprises the Deputy Minister of the Department, as chairman, the chief medical officer of each of the provinces, one representative each of labour, agriculture, and women's urban and rural organizations, and one public health adviser. To this meeting were invited representatives of various bodies, such as the Canadian Medical Association, the Canadian Hospital Council, the Royal College of Physicians and Surgeons, the National Committee for Mental Hygiene, the Canadian Tuberculosis Association, the Health League of Canada, and so on. The health insurance measure has been largely framed on the recommendations made at that meeting.

We are all aware that Canada is very sparsely populated, with only three and one-third persons per square mile, which is almost the lowest average in the world. And despite our vast natural resources and empty spaces, we have become a nation of older people. It would seem that this defect cannot be cured by immigration, because the House of Commons Advisory Committee on health insurance has stated that we can look for no great influx of healthy youth after the war. These facts make it all the more important that we should conserve the health of the people we have. But the very sparseness of our population increases the difficulty of carrying on such activities as group medical and health insurance services.

As all honourable senators are aware, public health administration in Canada was undertaken in the first place by municipalities. In time it was found that many municipalities were too small or too poor to maintain adequate health services, and the provinces were gradually compelled to assume more and more responsibility. Consequently health conservation measures were far more advanced in some provinces than in others, and the results obtained were proportionately uneven. The Advisory Committee's report contains some figures that may interest the House. Those with regard to tuberculosis, for instance, are impressive. They show that the reduction of the disease in Ontario and Saskatchewan, which provinces have more or less adequate facilities for treatment of the disease, has been very marked, whereas in Quebec and the Maritime provinces, where the facilities are not so good, the mortality rate has been a good deal higher. Since 1921, in Canada as a whole the deaths from this

disease have decreased from 87 to 47 per 100,000, a reduction of 46 per cent. In Ontario the decrease in deaths has been from 71 to 26 per 100,000, or 63 per cent; in Quebec, from 122 to 80, or 34 per cent; and in New Brunswick from 106 to 67, or 37 per cent.

It is very gratifying to know that the tuberculosis problem is now being carefully considered by the government of Quebec, which plans to put more effective methods of treatment into operation. It is well known that important factors in reducing the spread of the disease are early diagnosis and treatment. As a rule these result in shortening the time spent in a sanatorium. X-ray examination of our young people who volunteered or were called up for active service resulted in the rejection of 8,000 suffering from tuberculosis in a more or less advanced stage. Many of these were sent to sanatoria, where the length of time required to effect a cure would depend in each case upon how far the disease had progressed. But in any event these sources of infection were checked, and this will undoubtedly mean a reduction in the spread of the disease. In Great Britain, after the outbreak of war, some 12,000 patients were returned from sanatoria to their homes, in order that the beds in these institutions might be made available for war casualties. Some of these people undoubtedly spread tubercular infection, not only in their own homes, but also in air-raid shelters and factories, and in consequence there was an immediate rise in the rate of deaths from the disease.

The situation regarding mental diseases is grave and depressing. Our number of mentally ill persons is on the increase, and there is at present not only a shortage of 10,000 beds for these people, but a serious lack of physicians and nurses. The Canadian Medical Association has listed as urgent needs today: (1) more institutional accommodation; (2) more and better trained personnel; (3) facilities for earlier diagnosis, and (4) semi-sheltered employment for persons suffering from the disease. And, on the side of prevention, these are listed as necessary: (1) a thoroughgoing educational programme; (2) a system of clinics throughout the country for diagnosis and advice; (3) the integration of the mental hygiene programme with the educational and welfare programme; (4) a programme of vocational guidance and training for mental defectives, along with the early diagnosis made possible by the clinics, and (5) organized community care for certain kinds of mental defectives.

We know that another grave problem is presented by venereal diseases. Canada is fortunate in having an internationally recognized authority on this subject, in Colonel Williams, who is attached to the Department of National Defence. It is stated by Colonel Williams and other experts on this subject that a programme for coping with the spread of venereal diseases should include: (1) widespread education regarding the nature of venereal diseases; (2) additional clinics, with increased personnel; (3) adequate remuneration for the medical personnel of the clinics; (4) extension of hours in clinics, to enable people to obtain treatment when off duty; (5) the provision of treatment by physicians in sparsely settled areas of the country, and (6) greater attention to reporting and follow-up of cases.

Still another problem that faces us is our high rate of maternal mortality. That it is unnecessarily high is shown by statistics. In Manitoba, for instance, where the services of municipal physicians are available to expectant mothers, the death rate has been lowered by fifty per cent. I may say that the Victorian Order of Nurses is able to claim the same good record where its services have been used. Every year more than nine hundred Canadian women die in childbirth; and besides, the death rate of motherless children is three or four times as high as that of children whose mothers survive. At the present time not more than forty per cent of expectant mothers are given adequate prenatal supervision. During the last ten years Canada has lost an annual average of 15,000 children under one year old. These deaths were largely preventible. It is interesting to note the progressive improvement in the infant mortality rate in the United States. As recently as 1900, one out of every six children born alive in that country died during its first year. By 1920 the ratio had improved to one out of every thirteen; and, by 1940, to one out of every eighteen. The experience in England and Wales has been similar. Figures for Canada, I regret to say, were not given. It is interesting to recall that although Queen Anne gave birth to eighteen or nineteen children, only one survived as long as eleven years.

Honourable members from Montreal are familiar with the fact that since it was made compulsory to pasteurize the milk sold in that city, the infant mortality rate there has decreased amazingly. Formerly some 1,800 infants died in Montreal every year from diseases directly attributable to impure milk, whereas to-day the number of deaths from this cause is about 200. The rate is still too high. It is generally known that New Zealand has the most enviable record of maternal and infant mortality. I was interested to learn that, in 1905, out of every thousand infants born alive in that country 68 died, and that by

1936 the number had been reduced to 31. Iceland is in second place, with a death rate of 32 per thousand.

Unfortunately, the diseases of middle age are on the increase. This may be due in some measure to the greater longevity of our people, although in this respect I am afraid the Senate has not such a high record as it once had. Communicable diseases are still taking too large a toll of human life, and one of our greatest needs is the establishment, maintenance and extension of local health services.

The death rate in Ontario from tuberculosis has been reduced to less than one-fifth of the 1900 rate; from typhoid fever, to one-fiftieth; and from diphtheria, to one eighty-fifth. We are slowly learning that preventive measures cost less than treatment services. In support of this let me quote the figures on diphtheria. In Ontario during 1924, 3,075 cases were reported; of these 322 were fatal. The cost of medical care is estimated at $300,000; but the cost of giving preventive treatment in the form of diphtheria toxoid to all pre-school and school children was less than one-third of the total for medical care.

The Canadian Public Health Association and the Canadian Medical Association visualize a system of health insurance which will be more inclusive, efficient and sound than anything that has hitherto been devised and operated elsewhere. Such a system should place much emphasis on the prevention of disease and the development of a high degree of physical fitness, and should include modern diagnostic and curative services.

A friend of mine, a nurse, followed her profession in Saskatchewan during the drought years. I remember calling with her on the Deputy Minister of Health, Dr. Wodehouse, when she asked this very pertinent question: "Why is money always available for hopeless cases, while so little is spent on sick children whose mother may be dependent on her needle for a livelihood?" I think we have never laid sufficient emphasis on preventive treatment, nor considered that the expenditure of money on hospitalization might have been rendered unnecessary by earlier treatment.

The cost of modern equipment has increased enormously, and the medical student has to devote more years to study in order to become a properly qualified doctor. But despite this the cost of some diseases has not increased, for the reason that through enlarged knowledge of the proper mode of treatment the period of hospitalization is now much shortened.

I may say that both the Canadian Public Health Association and the Canadian Medical Association agree that the family physician should occupy an even more important position than he does at the present time. He should feel at liberty to advise preventive measures for the family under his care. At present the average doctor would hesitate to volunteer such advice lest he be suspected of mercenary motives; whereas if he received stipulated remuneration for keeping the family well, he would not neglect to advise its members to use preventive measures whenever necessary. The Chinese, I think, show their wisdom when they say that doctors should be paid for keeping people well and not for curing them.

The submission of the Canadian Medical Association is, in part, as follows:

> Our major emphasis in the past has been on the cure of disease, on negative health, as it were. There should be more emphasis in the future on positive health, on preventive medicine and public health. It is less costly to prevent disease than to cure it, yet our progress in this direction, although steady and gratifying, has been far too slow.

The Canadian Medical Association, after a prolonged study of plans for the securing of health services, passed this resolution:

> 1. The Canadian Medical Association approves the adoption of the principle of health insurance.
>
> 2. The Canadian Medical Association favours a plan of health insurance which will secure the development and provision of the highest standard of health services, preventive and curative, if such plan be fair both to the insured and to all those rendering the services.
>
> It is obvious, too, that any plan of health insurance which is not supplemented by a programme to ensure better nutrition, better housing and the reduction of worry and anxiety, particularly for those of low and uncertain income, will fail of its objective.

It is generally agreed that periodic examinations at suitable intervals should be available to all. Early recognition of disease is the greatest weapon in its mastery.

Fifty thousand Canadians are now suffering from cancer; twelve thousand die annually. Yet many, if treated early, can be cured.

Tuberculosis in Canada might be eradicated in twenty-five years, if facilities were provided for its early recognition and efficient control.

Naturally as the years pass and the advantage of preventive treatment becomes more and more recognized, the expenditure for curative services will be very much decreased, and we shall not suffer the tremendous loss now due to absenteeism and lack of productive power.

The different group insurance and private plans in the British scheme have not proved an advantage, and have made the scheme very much more difficult of operation. Therefore the Medical Association recommends that any plan for Canada should be national in scope

and so adapted as to be satisfactory to the provinces, which will be responsible for the carrying out of the plan.

I was impressed yesterday when the honourable leader on the other side (Hon. Mr. Ballantyne) spoke of the deplorable housing conditions in Montreal. I should like to see something done for parents with young children. It is exceedingly difficult for them to be welcome anywhere. Although we are asked to become sentimental over the role of the mother, motherhood is not yet recognized as an essential occupation, nor do we in our communities give the parents as much assistance as we might in appreciation of their services to Canada in bringing up children who, we hope, will be a credit to our country.

I have given some attention lately to the problem of juvenile delinquency. I realize that we could do very much more to prevent its increase, by taking these young people in hand and helping them to become good citizens. We owe a duty to lads who have committed some youthful indiscretion; we should help them and not punish them too severely. I was very much impressed by what my boy told me of one young man in his unit. He had been in a reform school, and my son said, "Everyone is picking on him, and he is going to jump." Now, that is not right. Instead of that young man being helped to become a good citizen, he was being deliberately sent to destruction.

As a supporter of the League of Nations and its ideals as embodied in the Covenant, I should like to express my satisfaction with the sentiments expressed in this paragraph in the Speech from the Throne:

> The dangers of future aggression can be removed, and world security attained, only by a general international organization of peace-loving nations. You will accordingly be invited to approve of Canadian participation in the establishment of an international organization to further national security through international co-operation.

All our plans for the future will come to naught unless we can have some degree of international security. Every country must realize that it is part of a world community.

I have in my hand a booklet which sets forth some of the achievements of the League of Nations. There is a tendency to dwell on the failures rather than the accomplishments of the League whose comparatively short existence of less than twenty years was surrounded by many difficulties. It has been said that the great leaders of the Allies at Versailles—President Wilson, Lloyd George, Clemenceau and others—failed humanity at that time. But let me say this: The League did not fail humanity.

On motion of Hon. Mr. Black the debate was adjourned.

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

THE SENATE

Friday, February 4, 1944.

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

Prayers and routine proceedings.

DIVORCE COMMITTEE EVIDENCE

MOTION.

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, moved:

That a message be sent to the House of Commons requesting that House to return to the Senate the evidence, adduced before the Committee on Divorce during the last session of Parliament, upon which the following Bills were founded:

Bill J3, an Act for the relief of William Taffert.

Bill W4, an Act for the relief of Ruth Usher Garson.

He said:

The two Bills referred to in this motion failed to pass the Commons last session, and the committee desires to have the original transcript of the evidence for purposes of record.

UNEMPLOYMENT INSURANCE FUND

INQUIRY

Hon. Mr. DUFF inquired of the Government:

1. How much money, since the inception of the Unemployment Insurance Act until December 31, 1943, has been paid into the Dominion treasury, or the Unemployment Insurance fund, by employers of labour, or others, from all provinces of Canada?

2. How much has been paid in during the above period by the employees in different labour brackets?

3. How much has been paid into said Unemployment fund, during the above period, by the Government of Canada?

4. What has been the cost, up to December 31, 1943, of carrying on the above organization in (a) salaries, (b) expenses of all kinds, including rents, stationery, equipment, etc., etc.?

5. How much has been paid out of said fund, or out of the Dominion treasury, up to December 31, 1943, to employees out of employment, from said funds, and under the provisions of the Unemployment Insurance Act?

6. What is the balance in said fund, or in the Dominion treasury, up to December 31, 1943?

Hon. Mr. KING: The answer to the honourable gentleman's inquiry is as follows:

1. By	Bulk payments	$ 32,655,724 38
	" U.I. Stamp sales	75,993,754 21
	" Meter sales	30,675,822 47
	" Government contribution	27,816,363 55
	" Interest on investments	4,800,402 07
	" Profit on sale of securities	92,425 14
	" Miscellaneous, including penalties	2,374 05
		$172,036,865 87
	Less refunds (Contributions)	245,857 30
	Total receipts	$171,791,008 57

2.

Class	Weekly wage bracket	Employer's contributions	Employee's contributions	Total employer and employee contributions
0	Less than 90 cents a day or under 16 years of age	$ 973,574	$	$ 973,574
1	$5.40 to $7.50	531,040	303,452	834,492
2	7.50 to 9.60	1,390,821	834,492	2,225,313
3	9.60 to 12.00	2,668,435	1,921,272	4,589,707
4	12.00 to 15.00	5,366,753	4,508,072	9,874,825
5	15.00 to 20.00	10,971,119	9,752,105	20,723,224
6	20.00 to 26.00	12,607,665	17,712,220	30,319,885
7	26.00 or more	29,803,296	39,737,727	69,541,023
		$64,312,703	$74,769,340	$139,082,043

Note: The foregoing, which must not be construed to be a perfect analysis, is based on the proportion of stamp values as applicable to employer and employee. In the case of meter sales, it is pro rated according to sale of stamps and bulk payment contributions. The above figures do not include refunds of contributions.

3. $27,816,363.55.

4. (a) $6,403,923.48; (b) $4,175,660.01; total, $10,579,583.45.

5. $1,278,875.27.

6. $170,512,133.30.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

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

Hon. F. B. BLACK: Honourable senators, in beginning the few remarks that I intend to make, I want to join with the speakers who have preceded me in paying compliments to the mover (Hon. Mr. Johnston) and the seconder (Hon. A. L. Beaubien) of the Address. I also wish to congratulate all other honourable members who have taken part in this debate, upon their excellent speeches.

Hon Mr. CALDER: Hear, hear.

Hon. Mr. BLACK: The speeches by the mover and seconder were similar to those usually delivered in the Senate upon an occasion of this kind. Perhaps it is only natural that there should be a political tinge to the remarks of any one who moves and seconds an Address in reply to the Speech from the Throne, so I do not know that our honourable friends from Central Saskatchewan (Hon. Mr. Johnston) and St. Jean Baptiste (Hon. Mr. Beaubien) can be strongly criticized for anything they said. The honourable members chosen to move and second the motion are usually recent appointees to this

Chamber, and probably they feel that for favours received they should give a receipt in the form of strong commendation of the party that appointed them.

I was much interested in what the mover of the Address said, and also to note what he left unsaid. He gave the Government and the Prime Minister a great deal of credit for Canada's war effort. In fact, he went far afield in his search for commendation. For example, he quoted, and properly so, the Prime Minister of Britain. But we know that if Mr. Churchill were dissatisfied with what Canada has done, he could not say so. It would be quite impolitic and unjust for him to criticize the Canadian Government; so any remarks that he makes about us are necessarily favourable. Then my honourable friend quoted something that was said by the President of the United States after that country had come into the war. By that time Canada, having been a belligerent for eighteen months or longer, had got into her stride, and the President expressed appropriate recognition of what had been done by our people. My honourable friend next went to Madame Chiang Kai-shek of China for further commendation. Well, when that charming lady was here as a representative of her country she probably did not know much about our war effort, but even if she had found things to criticize she would not have said so. My point is simply this, that commendations made in other countries of Canada's war effort are not worth much. I think my honourable friend might have stayed closer to home when trying to get opinions about our war effort. So far as I recall, with the possible exception of some members of Parliament he did not quote one prominent Canadian or one important Canadian newspaper in support of what has been done by the present Administration. As a matter of fact, a number of our most influential newspapers which at one time supported the Government do not support it to-day, and three or four of them are opposed to it. The Prime Minister's supporters cannot make out a convincing case for the Government's war record by quoting what prominent figures in the public life of England, China or the United States have said.

Neither in the Speech from the Throne at the recent prorogation of Parliament nor in the Speech from the Throne at the opening of this session did I observe what I think should have been there, and that is generous appreciation of the war effort of the Canadian people. Our young men in the Navy and Merchant Marine, in the Army and in the Air Force are doing a job of which every Canadian and every individual in the Empire and in the nations associated with us should be proud. The men and women on our farms and in our factories, offices and commercial houses, and our housewives have by and large put their shoulders to the wheel and established an impressive record for Canada and the Empire. They should be first in our thoughts when we commend Canada's war effort.

Last session I criticized the Government for its lack of energy at the beginning of the war. Some time ago on the outskirts of a village in the South I came upon a darky pushing at the back of a cart in a vain attempt to persuade his stubborn mule to get going. I asked what was the trouble. The darky answered, "This mule won't go." When I offered to help push the cart he said: "No, suh, it ain't no use. There are just two things that will make this mule go." I inquired, "What are they?" He replied, "If there are a number of people around who he thinks will get behind and push, he will make a start; and he will also get going if he sees a lot of other mules going past him." It seemed to me that that mule was plebiscite-minded—he wanted many people or mules to go ahead before he would bestir himself. That was the attitude of the Government at the beginning of the war; it was disinclined to move until it felt the weight of public opinion pushing it into action.

The Speech from the Throne at the opening of this session forecasts a considerable amount of social legislation. I shall reserve criticism until the various bills are before us, and content myself with a few comments, which perhaps may evoke an enlightening answer from the Government. The social services outlined will involve a good deal of expenditure. The question in my mind and, I believe, in the minds of many other Canadians, is: where is the money to come from?

The estimates made by the Department of Finance, and also, I think, by the Prime Minister's Department, are about as follows. First, for war veterans, $300,000,000. I think we all subscribe to the propriety of making provision for every man who comes back, especially those who have been wounded. We agree also that preparations should be made for giving those men proper homes and proper jobs, and an opportunity, if needed, of securing an education. There should be provision also for taking care of the dependents of men who have lost their lives.

Hon. Mr. CALDER: Is that an annual amount?

Hon. Mr. BLACK: It is $300,000,000 a year. That is a large amount of money, but I

anticipate that it is not too large. That is the departmental estimate, though others put it at a higher figure.

For family allowances the departmental estimate is $150,000,000. I have seen other estimates which greatly exceed that, the most conservative of them being $400,000,000 a year.

Hon. Mr. KING: There is a great difference between the two estimates.

Hon. Mr. BLACK: A very great difference. I am not saying which is right; I am only giving you the figures. One newspaper estimated that half a billion would be required.

Hon. Mr. DAVID: Not half a million, half a billion.

Hon. Mr. BLACK: Half a billion dollars. There is a great deal of controversy and doubt as to whether family allowances as suggested in this forecast are a good thing. I am not convinced, either that they are or are not. If the object of the Government is to increase the population of our country, that would be one thing—and it might be a very reasonable object; but after all I do not think that is the real purpose. I think that what is in view is a social service scheme to help large families. Of course, bonuses to families are nothing new. France has used that method of increasing the population for two and a half centuries or more. Other European countries also have made use of the same principle. But the granting of bonuses to large families can hardly be regarded as a social service; neither is social service embodied in the method used by France in times past; therefore what has been done in that country does not enter into the picture here, which I assume is entirely a social-service picture.

Now, if there is an expenditure of $150,000,000 or $400,000,000 on bonuses to large families in this country, I fear it will have bad results. Some of the labour unions are said to be strongly opposed to the proposal. When I asked one labour leader why this was, he replied to this effect: "It will inevitably cause a tendency towards a lower wage scale." I inquired why, and he argued that after all the pay which a man earns in a factory is in some measure based on his need. Probably that is partially true. It was his opinion that just as soon as the average employer found that a man working for him was getting $10, $20, $30, $40 or $50 a month in family allowances, he would no longer think it necessary to pay high wages. I suggested to the labour leader that he had in mind one employer; but he said no, that the idea impregnates the whole country, and the effect of family allowances is to lower wages. As to that I expressed no opinion. He went on to say that a family allowance leads to delinquency and laziness; and that a man who lacks initiative and energy, who does not want to make a home for himself and become a real citizen, is very apt to sit down on the job and let his children support him.

There is something to be said for this last argument. I could not agree with it, because at the time I was not sufficiently informed. I am now of the opinion that most of our citizens want to work and earn good wages and build up a place in the community for themselves and their families. On the other hand, a relatively small number of people here, as in every country the world over, have no desire to exert any effort or initiative in order to become useful citizens, but are quite content to sit back and let somebody else keep them. I am quite sure, therefore, that Parliament will consider this question thoroughly.

At the present time I am inclined to think that this money, instead of being devoted to family allowances could be used to better advantage for educational purposes, health and sanitation or home building. An expenditure of even $150,000,000, if applied throughout the country to improving the homes of those who cannot provide proper homes for themselves, would go very far, and on the information that I have at the present time it would seem to me that the Government would be well advised to use this money for such purposes. If it is necessary to pay bonuses to increase the population, which might be a very desirable thing to do, that should be dealt with separately.

Another item in this social services bill of costs which I am building up just to see where we stand, is $75,000,000 for health insurance. I have no reason to question that figure. It is the department's estimate, although some social service people say the figure is too low and should be increased to at least $200,000,000. In any event, we have $75,000,000 for health insurance. We do not know yet what plan may be adopted.

Hon. Mr. KING: Is my honourable friend giving that figure as an estimate made by the department?

Hon. Mr. BLACK: Yes, that is the estimate, $75,000,000.

Hon. Mr. KING: I do not think so.

Hon. Mr. BLACK: I cannot discuss this with any degree of intelligence except as a round figure, because I know nothing of the plan involved or the method by which the public health is to be insured. That is something about which we shall have no knowledge

until the legislation comes before Parliament. But taking this as the figure, if the money is well and practically applied I believe the expenditure will be of great benefit to Canada. I think it is necessary for the State to step in and give assistance to needy families, especially during the infancy of their children, at which time the mortality rate is higher than at any other period of life, but in making any expenditure by way of bonuses to large families, we must exercise every precaution to hold the parents accountable, so that after the child is brought into the world its life will be protected.

The next item is a departmental estimate of $25,000,000 for housing. If the provinces enter into this project—and they must co-operate or they will not secure the benefit of any part of this appropriation—they will have to implement that sum. If they put in an equal sum there will be a total of $50,000,000 available for housing purposes. I presume this housing scheme will follow pretty well the line of the present housing scheme and of the one we had after the last war, and in the light of experience we should get much better results than we got from the old scheme.

Hon. Mr. KING: I do not wish to interrupt my honourable friend, but I understood him to say he is giving estimates made by government departments, and that they have been published.

Hon. Mr. BLACK: They have been in print.

Hon. Mr. KING: Where?

Hon. Mr. BLACK: I am speaking from reports.

Hon. Mr. KING: Government reports?

Hon. Mr. BLACK: No; reports that have appeared in newspapers.

Hon. Mr. KING: I should not like to have the impression go abroad that my honourable friend is giving authentic government estimates, if that is not the case.

Hon. Mr. BLACK: I am giving the estimates as they appeared in a number of Canadian newspapers.

Hon. Mr. KING: That is a different matter.

Hon. Mr. BLACK: The newspapers described these as estimates emanating from the Department of Finance and the Prime Minister's office.

Hon. Mr. KING: With that qualification, I think the figures can be accepted.

Hon. Mr. BLACK: That is where the newspapers said the estimates came from. I may remark that the published statement does not commit the Government to anything.

Hon. Mr. KING: No. I understand that.

Hon. Mr. BLACK: I assume that unless these figures were approximately correct the Government would not have permitted them to get to the newspapers as departmental estimates. Of course, I realize that the figures are subject to any modification that the Government or Parliament may desire to make.

I mentioned the item of $25,000,000 for housing. Then there was $40,000,000 for old age pensions. That is in addition to the present outlay for these pensions. The grand total of these estimates is about $750,000,000. I have seen in newspapers other estimates, made by people who so far as I know are not in Parliament, which indicate that at least one billion dollars will be required for the schemes outlined in the Speech from the Throne.

Hon. Mr. ROBERTSON: May I ask the honourable senator a question? In arriving at the total of $750,000,000, which figure is he using for children's allowances, $150,000,000 or $400,000,000?

Hon. Mr. BLACK: I am using the estimate of $150,000,000, which purported to come from the department. If you change this to $400,000,000, you will have to increase your total by $250,000,000.

The size of these estimates makes us ask ourselves how we are going to meet our expenditures in future years. I think it is fair to assume that social service programmes as now outlined would cost the Dominion Government from $750,000,000 to one billion dollars or more. We already have a tremendous debt, so large that our present revenue from taxation is only about half our current expenditures. Of course, I speak subject to correction. We are borrowing twice a year, and so long as this war lasts we shall continue to borrow, I assume, at least twice a year, from our own people while they have the money, and perhaps then we shall have to look for funds abroad. The interest on our huge war debts will be a burden to not only this generation and the next one, but perhaps to several later generations. None of us here, I suppose, expect to get much relief from taxation in our lifetime. I personally have abandoned all hope of any material relief. Why? Simply because we shall be faced with a growing need to look after our under-privileged people until this country has a standard of living that will permit all our citizens to provide for themselves and their dependents necessary health services, education appropriate to their capabilities,

proper food and shelter. Certainly if the estimated costs of the proposed schemes are approximately correct, and the war lasts two or three more years, as it well may, the present generation cannot hope for any lightening of the tax burden, and it would be optimistic to expect any relief for the succeeding generations.

I have thought it well to mention these things now, rather than at a later and perhaps ordinarily more appropriate time, in the hope that when the budget is being considered some attention may be given to the fact that our enormous burden of taxation has to be borne by what is after all a small country.

There are a number of other items about which I wanted to speak, but knowing some honourable members desire to follow me, and as the attendance this afternoon is small, I shall postpone further remarks until such time as a favourable opportunity offers itself.

Before closing, though, I wish to say a few words about our war effort. Once the Government got started, it set the country a good example. Let us bear in mind that the people of Canada are doing a wonderful job. When we read reports of the daily deeds of valour, heroism and endurance performed by our land, sea and air forces, we are proud, every one of us, to be Canadians. Though I am not an emotional man, many times on reading of these deeds tears have come to my eyes. The record of our fighting forces has been inspiring, as was their record in the first great war. There have been, it is true, many shortcomings in our war effort, but we will overlook those just now. Let every Canadian man and woman who is able to think and act strive to the utmost to maintain our war effort until this terrible struggle is brought to a victorious conclusion.

Hon. W. RUPERT DAVIES: Honourable senators, some years ago I was asked to introduce to the people of Kingston a distinguished cabinet minister, and I did what I thought was a very good job. When I finished the minister walked to the front of the platform, took off his glasses, shook his head, and said to the audience, "My, my, how I wish my wife could have heard that!" That incident was recalled to my mind while I was sitting here yesterday, and I said to myself, "How I wish the galleries of this House had been crowded these past two or three days, so that many people might have heard our debate on the Speech from the Throne."

All the speeches made in the debate up to this point have been, in my opinion, on a very high plane. We first heard from the new senator from Central Saskatchewan (Hon. Mr. Johnston). His address was perhaps tinged with partisanship, but only to a slight degree. Next the honourable senator from St. Jean Baptiste (Hon. Mr. Beaubien) spoke to us. These two honourable members set a high standard for those who followed. On Wednesday we had two masterly addresses from the honourable leader of the Government (Hon. Mr. King) and the honourable leader opposite (Hon. Mr. Ballantyne). I greatly enjoyed their analyses of the Speech from the Throne, as I am sure we all did. They were followed by the honourable senator from Peterborough (Hon. Mrs. Fallis), who gave us the women's point of view and expressed opinions with which I am in full accord. Yesterday we were treated to three able addresses: first, by the honourable senator from Toronto (Hon. Mr. Hayden), then by the honourable senator from Winnipeg (Hon. Mr. Haig), and afterwards by the honourable senator from Rockcliffe (Hon. Mrs. Wilson). And to-day we listened with great interest, I am sure, to the honourable senator from Westmorland (Hon. Mr. Black), although I must confess that his figures have frightened me a little. I feel certain, honourable senators, that nowhere in Canada could there be found a higher standard of debating than that which we have had here in the past three days. Naturally, there has been criticism of the Speech from the Throne and of the Government, but in my opinion it has all been fair, kindly, tolerant and constructive. It seems to me the debate has done much to enlighten the people of Canada as to the valuable contribution which the Senate makes to the welfare and the government of this country. As I said in my opening sentences, I wish that while this debate was going on our galleries had been crowded—as crowded as they usually are on the occasion of the ceremonies at the opening of Parliament.

Now, in dealing with the Speech from the Throne I shall try to be as brief as possible. Some of its features pleased me very much, others left a question mark in my mind. I was glad to see that the Government proposes to do everything in its power to encourage export trade in the post-war period. Canada has to depend to a great extent upon its export trade. We have always been large exporters of farm products, and after the war we shall have to be large exporters of industrial products, or many of our huge factories now engaged in war production will have to close down.

I hope the Government will take prompt action along this line. I am thinking particularly of heavy industry. As honourable members know, our heavy industry works at full speed for a year or two and then has to lay off its employees for an indefinite period.

This is bad both for the country and for labour, and very much complicates our social problems.

I was pleased to notice that the transition of our industrial life from war to peace is to be helped forward by suitable modifications in taxation. When I heard His Excellency the Governor General read the relevant paragraph, I said to myself: That is an aid to business anyway; if only a friendly nod, it is something.

But I do not understand why we need another bank as a subsidiary of the Bank of Canada to provide additional credit facilities for the establishment of industrial development. I am not at all clear on that proposal. Our banking institutions are second to none. I am wondering whether they are not able to take care of our industrial transition from war to peace. I should like to say a word about our banks. I know nothing about banks from the inside; I am not a director; I have never held a dollar's worth of bank stock; I have always been outside the counter. But I have always found our bankers more than reasonable. In the Gospel according to St. Matthew it says: "If a man ask you to go with him a mile, go with him twain." My experience has been that if there are any institutions in this country willing to go the two miles with our industrial people it is the banks. I repeat, I have always found them more than reasonable. I have never gone to a bank with anything but a business proposition, and no influence of any kind has been exerted, yet I have never been refused accommodation. I must confess that I cannot quite understand why, if our chartered banks are able to take care of the demands of industry in the transition period, there should be need for another Government bank. I am suspicious of Government banks, of Government loans, and of anything in which political influence can be brought to bear, because, whether we like it or not, political influence will be exerted where Government money is available. We have seen that to be the case in some of our loan institutions connected with our governments. In our Victory bond campaigns I do not know of any army of men who did more to ensure success than the managers of our chartered banks. If this subsidiary bank is to be operated in competition with the chartered banks, I do not think it is an entirely wise step.

In regard to much of the proposed legislation I am quite favourable. I am particularly favourable to legislation for the benefit of our returned men from the Army and Navy and the Air Force, for their wives and families and especially their widows and orphans—and, I am sorry to say, there will be quite a number of these before the war is over. I concur in everything that has been said about the gallant men of our fighting services, and I agree with those honourable senators who have preceded me that everything should be done to see that they are properly taken care of.

With regard to social legislation, I am in accord to some extent with the honourable senator from Peterborough (Hon. Senator Fallis) that there is a danger of the Government becoming a Santa Claus. We must avoid that as far as possible; we must not discourage thrift and initiative. Probably those of us who have been fairly intimately concerned with welfare work are a little more apprehensive of what may happen than those who have not been. In all social welfare work it is sometimes pretty difficult to separate the honest from the dishonest, and for that reason I think we should proceed carefully.

The other day I was much impressed by a clipping from the San Francisco Argonaut setting forth some profound truths. Here they are:

You cannot bring about prosperity by discouraging thrift.

You cannot strengthen the weak by weakening the strong.

You cannot help small men by tearing down big men.

You cannot help the poor by destroying the rich.

You cannot lift the wage-earner by pulling down the wage-payer.

You cannot keep out of trouble by spending more than your income.

You cannot further the brotherhood of man by inciting class hatred.

I think all honourable senators will endorse the soundness of those maxims.

Yesterday afternoon I listened with keen interest to the honourable senator from Rockcliffe (Hon. Senator Wilson), and I was amazed to hear that there is a shortage of 10,000 beds for our tuberculosis and mental cases. I am sorry she is not in her seat, for I should like to know whether the shortage is not due to the fact that some of our large mental hospitals have been handed over to the Department of National Defence for the duration; and whether, if those hospitals were available, there would be anything like such a serious shortage.

The honourable senator also dealt with housing conditions, a subject also mentioned by the honourable senator from Alma (Hon. Mr. Ballantyne). I do not know what steps have been taken in Montreal or in Ottawa to mitigate those conditions, but I think honourable members will be interested to know

what we have accomplished in Kingston. During the past four years we have built 428 new homes, at an average cost of $4,500. We have also turned a number of large old-fashioned houses into two- and three-family apartments. In this way we have provided accommodation for about 800 more families than we had room for in 1940. That is a step in the right direction. In addition, the federal Government has built more than 300 war-time houses at Kingston Heights on the edge of our city. I understand that the Government has taken similar action in a number of other industrial cities. It will be seen that something is being done to relieve the housing shortage, and as a result the picture is not quite as bad as might appear at first sight. I should add that the Government has built in Kingston a large hostel to accommodate 422 girl war-workers. Similar structures have been erected in other cities. On inspecting some of those buildings I was favourably impressed with the accommodation provided.

While listening to the remarks of the honourable senator from Rockcliffe with respect to housing, it occurred to me that one practical difficulty is that many people do not want to move into new homes. During the depression the Welfare Board of Kingston made an attempt to improve housing conditions, but the results were disappointing. For instance, a few benevolent persons tried an interesting experiment. Three houses were secured and a family installed in each. In one particular family there were half a dozen boys, and it was feared they might become juvenile delinquents unless moved from their old home to surroundings more conducive to their moral and physical welfare. Unhappily the experiment failed. Doors and baseboards were torn off and burned, and other wanton damage was done. I am sorry to say that in spite of all efforts to build up their character several of them have already been in trouble two or three times. I am afraid very little can be done to lift up that sort of people. Several schemes on a larger scale have been undertaken in the Old Country. One of the main difficulties in operating them is to overcome the reluctance of people living in "closes" or "shuts," that is, groups of small, badly lighted and hopelessly dilapidated houses in the worst sections of a city. I shall never forget the evidence of one man, 79 years old, who appeared before a board at a meeting which I was invited to attend. He did not want to move from his home into the new Government-built house for two reasons: first, his old rent of 2s. 6d. would be increased to 7s. 6d., and, secondly, his father, born in the old place, had lived there to the ripe old age of 84. I was shown the apology for a home, and I am free to confess that I should not want a family to live in such a place. That tenant's attitude is characteristic of a type of people, who ask, "Why should we be disturbed?"

When I addressed this Chamber last July I said I was in favour of family allowances. I am still. But I am not in favour of family allowances if at the outset they are to cost the tremendous sum of $400,000,000 mentioned by the honourable senator from Westmorland (Hon. Mr. Black). Miss Charlotte Whitton, a friend of mine and a noted authority on welfare work, speaking last week at a meeting of the Women's Progressive Conservative Association in the Chateau Laurier, also gave the same figure, but I think she based it on an allowance of $9 for each child. I have had a talk with one of the members of the James Committee and I told him that I thought an expenditure of $400,000,000 was more than the country could afford. He told me that so far as he was concerned he felt, and he believed other members of the committee felt, that any scheme of family allowances should be tried out in a small way, rather than on a scale requiring the heavy expenditure which certain public speakers and newspapers have been indicating.

I was surprised to hear the honourable senator from Westmorland (Hon. Mr. Black) say, as I believe he did, that those were the figures given out by the department. I have not seen any such figures. I must have missed them. I did not know that any figures had been given out. But we cannot afford any such sum as three hundred million or four hundred million dollars a year, because, while we are all anxious to do what we can, we have to face facts. We are only a small country, a country with less than twelve million people. We have very heavy taxation at the present time, and some of the money received in taxes has got to be paid back. I estimate that for several years the Department of Finance will have to pay back about a hundred million dollars a year of the money they have taken from the corporations of this country by way of excess profit tax, twenty per cent of which is returnable some time after the war. One hundred million dollars is about twenty-five per cent of what it was costing to run this country before the war, and I think it behoves us to be careful.

The honourable senator from Winnipeg (Hon. Mr. Haig) made some references to the Government. He blamed it for a lot of things for which I do not think it can properly be blamed. I have been just as much irritated as the honourable senator from Winnipeg at the way the bureaucracy under which

we are living has operated. The honourable senator is a lawyer. I am in business, and probably I have suffered a good deal more than he has from some of these bureaucrats. But we cannot blame the Government for this. I do not think any government operating under conditions such as this Government is operating under at the present time could do any better. We are fighting a terrific war. At the same time we are doing our best to keep down inflation, and no matter what we may suffer in the meantime, if we are successful in this effort and in preventing the catastrophies which followed the last war, that will be worth while.

I could keep you here until six o'clock telling of my personal experiences with the bureaucrats. The flower of the young manhood of this country went away to the war; many of our intelligent young men were in the fighting services, and we had little choice. We just had to take the men who were left and put them into jobs, and trust to God that they would do the best they could—the best, in some instances, being very bad indeed. As far as I can find out there has been nothing of politics in this. I know only one man in the Wartime Prices and Trade Board group in Kingston. I do not know what his politics are. I believe he has been practically everything but C.C.F. I do not imagine he has come to that yet. When it came to setting up a branch of the Board in Kingston, what happened was this: two men arrived, one from Toronto, I think, and one from Brockville. They went about the job in a business-like, systematic manner. They asked the Chairman of the Chamber of Commerce to call his executive together, saying, "We want a man to set up an office of the Wartime Prices and Trade Board here." So the Chairman called his executive together, and they said they would do the best they could. In the end they furnished six names. The next day at about five o'clock I received a telephone call from one of the representatives of the Wartime Prices and Trade Board, asking if he and his confrere could see me. I was not then a senator and was not particularly interested in politics. When these gentlemen came to see me they said, "We have interviewed the men named by the Chamber of Commerce, and the choice has been simmered down to two. Which of the two would you suggest?" I informed them that I did not know either. Then what did they do? They appointed some fellow I had never heard of before; I did not even know whether he came from Kingston. Notwithstanding this, in the main, I think, the Wartime Prices and Trade Board functions fairly well. Of course, if I were to go by the letters that appear in our paper, I should say they are functioning very badly. But I do not go by them. The housewives are upset as a result of some commodities being rationed and others cut off altogether. On the whole, I think the Board is not doing a bad job.

My main contact has been with Selective Service, which at times has been pretty bad and very irritating. But it is improving now. I think what the honourable senator from Winnipeg (Hon. Mr. Haig) said is quite correct, that the regulations are being circumvented. But that is something that always takes place. For instance, we have certain unscrupulous people in Toronto chiselling on gasoline and buying ration coupon books at $15. That is one of the things we have to put up with, one of our crosses, but I do not see how the Government can be blamed for it. I just mention these things because it is really bureaucracy that is to blame; and, taking the long view, I think it is a good thing that the people of the country should have a taste of State control, for the inconvenience they suffer will make them realize what the situation would be if we were to have a socialist government in this country.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVIES: I was going to refer to the taxi situation in Kingston, but I shall not do so at length. The Police Commission met and decided to do a certain thing in regard to taxis, but some man in Toronto decided that these things could not be done, and the result was a threatened strike. I pass on.

Business was given a friendly nod in the Speech from the Throne, but I was glad to see that the James report gave it a cheery smile and a wave of the hand. The honourable senator from Westmorland (Hon. Mr. Black) says he does not look for any reduction of taxation. That is a pretty gloomy view.

Hon. Mr. BLACK: Not in the immediate future. I did not say there would never be a change.

Hon. Mr. DAVIES: Well, the James report says:

> To encourage private enterprise the committee urged the elimination of the excess profits tax as soon as possible. To equalize taxation it proposed reduction of the corporation profits tax, reconsideration of sales tax paid by consumers, and reliance on the individual income tax for revenue.

I think that is very encouraging. As a matter of fact, I am convinced that if the small businesses of this country are to survive, there has got to be in the immediate future a very definite reduction—if not the abolition—of the

excess profits tax. I think the excess profits tax should be removed as soon as possible after the war and that revenue should be secured from corporations and industry through the corporation tax. Then everyone would be on the same basis. Under the excess profits tax there is inequality in the matter of payment. As I pointed out in July last, a man who was making big profits during the 4-year base period is allowed to keep on making those profits without paying any abnormal tax; but if he happens to have had a bad time during the four years he now pays thirty per cent on the amount of his base period profits and one hundred per cent on everything above that. People say there is an appeal to the Minister. Well, I have been before the board, and in reality there is no appeal. When you get the documents you find the signature of the Minister on them, and there is no use appealing.

I have yet to make up my mind that a judge, a chartered accountant and a stockbroker know more than I do about the newspaper business or what profits it should earn. I do not think the excess profits tax is equitable or fair. But if we are not very careful it will not be taken off. We now have a Toronto newspaper with the largest circulation in the country advocating its continuance. I have heard other people also advocate that it be continued, and I am very much afraid that unless sufficient influence is brought to bear on the Government to induce it to remove this tax we are going to ruin a lot of businesses, and they will not be able to meet their obligations with the banks.

Now I am nearly through. I was disappointed that there was no reference in the Speech from the Throne to our cultural life. A nation cannot become great merely by caring for the physical needs of its people. It must care for not only the body, but the soul, and in my opinion something along that line should be done. In that connection I should like to say a word or two with regard to the suggestion in the report of the Library Committee, which was presented in this House on the last day on which we sat last summer, and was mentioned, I believe, on the first day of our meeting here this year, but which has never been considered by this House. In that report, first of all, the Librarian recommends that we establish a National Library in Ottawa, and the Committee suggests that as soon as circumstances permit the Government consider the idea. I have no objection to that at all, honourable senators, but I do believe we should think of the other parts of this great Dominion. This is a vast country. We cannot bring the people to the centre of culture; we have to take culture to them. Therefore, in addition to establishing a National Library in this city, the Dominion Government should each year set aside certain sums of money to provide libraries and art galleries in the various provinces. These should be situated either in the capitals of the provinces or at the universities. We have in our universities the nucleus of provincial libraries, but something should be done to establish a centre of culture in each province. By all means let us have a National Library; at the same time, let us try to take culture to the various provinces both in the East and in the West. In the little principality of Wales, with which I am familiar, this matter has been taken care of very well. Although Wales is only about a hundred and fifty miles long and sixty miles wide, and has a population of only two and a half million people, they have their art gallery at Conway, in the north; the library at Aberystwyth, in Mid-Wales, and the museum at Cardiff, in the south. They have divided up these things which do so much for the cultural life of the people. I think we might give consideration to something of the same nature in this country.

I should like to pay tribute to the trustees of the National Gallery. I was in the gallery last summer for the first time in a number of years, and was amazed at the progress that had been made. I have seen a great many art collections, and in my opinion we have at the National Gallery here as fine a collection as can be found anywhere except in the very large art galleries of Europe. The trustees of the National Gallery are doing a good job in sending out loan exhibits here and there, but this is not enough. When the Dominion Government is setting aside huge sums of money to defray the cost of new social legislation, it should, I think, earmark a certain amount for provincial art galleries and libraries, so that our young men and women who live long distances from the National Gallery may have an opportunity of participating in cultural advantages that would help them acquire a taste for the finer things of life. When our young people do acquire such a taste they will want better houses with more artistic furnishings, including prints of good pictures, and so on. In other words, they will become better citizens, and play a greater part than they otherwise would have been able to play in building up our nation.

Canada is a great country. As one who came out to this Dominion fifty years ago, I can speak with feeling. There is an old Welsh saying, "A ymdrecho a drecha." The late

Dame Margaret Lloyd George once told me that Welsh people could not express themselves properly in English, because it lacks certain words. To those honourable senators who do not understand the Welsh language, I may say that a free interpretation of this adage is, "He who works hard shall succeed." I know of no country in the world where people willing to work and to save can succeed as well as in Canada. It is indeed a splendid country for the young man and the young woman.

The Speech from the Throne, which we have been considering these last three or four days, is a great human document. We may or we may not implement some of the schemes proposed therein, and we may implement others in part only. But whether we implement them in whole or in part, honourable senators, we shall have moved another mile up the mountain of social progress and have done something to ameliorate conditions for the underprivileged, the mentally and physically ill, and all who are in the evening of life.

Hon. J. J. DUFFUS: Honourable senators, I will not attempt to answer my honourable friend from Westmorland (Hon. Mr. Black), but may I just say this to him: I am definitely of the opinion that in due course, after these proposed measures have received the consideration they deserve, he will be fairly well satisfied.

Like honourable senators who have preceded me in this debate, I desire to extend congratulations to my honourable friend from Central Saskatchewan (Hon. Mr. Johnston) upon the excellence of his maiden speech here, which he made in support of the motion for an Address in reply to the Speech from the Throne; and also to my honourable friend from St. Jean Baptiste (Hon. Mr. Beaubien), upon his splendid speech in seconding that motion. All honourable members of this House are familiar with the abilities of the honourable gentleman from St. Jean Baptiste. As to the honourable gentleman from Central Saskatchewan, who was introduced here a little over a week ago, I feel sure he will prove to be a very useful and popular member of the Senate. Both the mover and seconder are old parliamentarians; for a number of sessions they were colleagues of mine in another place.

I rise to speak at this time to state that in my humble opinion the Speech from the Throne is exceptionally timely and most appropriate in view of present conditions in Canada and throughout the British Empire. I was especially impressed by the social welfare proposals contained therein, because of their humanitarian content and their realistic approach to the problem of employment. And I was particularly pleased with the fresh assurance which those proposals bring to every Canadian citizen who desires that our breaking of new ground in social planning and betterment, and the ploughing of additional furrows, shall be carefully planned and well ordered.

Since the publication of the Speech I have been delighted to meet many persons who reacted to it in much the same way that I have, men and women here and elsewhere who sensed the courage and vigour behind these social projects. These people told me frankly that the Government's policies as outlined in the proposed measures renewed and confirmed their confidence that the Canadian people can attend to the improvement of their household without tearing down their house. In general, that has been the opinion of people whom I met while travelling across Ontario recently. A good number of them told me they were convinced that the lessons learned from the depression of the 1930's could be applied to our way of life without involving our country in the extreme experiment of socialism.

I believe that brief summary of opinion reflects the general thought of our people since the Government's comprehensive programme for social welfare was announced at the opening of Parliament. There was at once a new feeling of confidence that in our people and their institutions we have the heart, the will and the intelligence to continue on our Canadian way of progress from precedent to precedent without uprooting the edifice that we and our forefathers have erected here in substantially less than one hundred years. I cannot refrain from paying a brief tribute to those pioneers who came from lands across the sea, and, with little but their hopes, their hearts and their hands, built for themselves primitive homes in the woods, rolled back the forests, fought the battle of life in this new country and left to us who followed the opportunity of developing Canada to the extent of her unbounded possibilities.

In the last few days I have recalled that this very question we are now discussing, the expanding and buttressing of our agencies of social security, was raised, and in much the same words as have been used here, at a conference of Liberals held at Port Hope in September, 1933. That was ten and a half years ago. We all have been moving towards this need and challenge. They have grown up out of the economic conditions under which we have been living and working; and I feel confident that we should have accomplished more and come closer to a solution of the question by this time if the war had not exploded in the midst

of our peaceful pursuits. The responsibility that was acknowledged by the Government at the opening of Parliament was foreshadowed at those Port Hope sessions, which were attended by some present leaders of the Government, including the Right Honourable the Prime Minister.

The question that has been in the minds of our people who are attached to the political institutions we have developed—namely, whether we are capable and desirous of enlarging our social security provisions upon the basis we have already established—was framed by Francis Hankin, one of the speakers at that very significant and virtually directive conference, in these words:

> Shall all the institutions under which we live, and even liberty itself, be jettisoned, in the hope that a new order may give us what we want, or shall we examine the existing structure and see if it can be adapted to present needs? An ideal economic society must seek to maintain the welfare of its people. It must secure the citizen against ill health, lack of leisure, inadequate education, the fear of unemployment and of insecurity and old age.
>
> If I interpret the outlook of Canadians aright we want to get an efficient and equitable economic system with the minimum sacrifice of individuals and political liberty. We shall adopt neither Communism nor Fascism, but we are prepared to organize ourselves to attain efficiency and to submit to Government control for the sake of equity.

The recurrent question in that passage is this: can our existing political structure be adapted to our present needs? Personally, I am certain that it can. And my opinion has been reinforced by recent statements of men and women to whom the revolutionary political ideas now being propagated are repugnant. Judging by expressions that I have heard from these men and women, the Speech from the Throne tends to confirm their hope in our courage, and their faith in our ability to draft plans that will, in the reasoning and reasonable way of Canadians, surmount our special problems.

The conference at Port Hope in September, 1933, before the depression of that decade had reached its height, gave primary place to the consideration of social matters in the light of a bitter and embarrassing experience. It was felt that society had come to a new turn in its endless road, and I should like to quote a statement then made by the present Prime Minister as reflecting the changing attitude and the conceptions which were then emerging. He said:

> Never before in the history of mankind has the world known a period of such rapid transition and of such great unrest as it is experiencing in these very years. There was a time, not so long ago, in our country, when most of the questions with which public men were concerned were related to government in one form or other. Matters pertaining to constitutional rights and political liberties; questions of law and the maintenance of order, and, later on, other questions that had to do with the settlement and development of our country. Questions of trade, immigration, transportation, public works and the like. To-day, in their old form, these are but a fraction of the questions that are uppermost in the working out of a larger economic freedom.
>
> In the working out of a larger economic freedom some of our friends are anxious that it be brought about very quickly. Very well, I am with them in their desire, but are you going to get anywhere, may I ask, with economic freedom if you lose responsible government, if you get arbitrary despotic government in exchange for what we have to-day, in the way of recognized methods of procedure, under that great safeguard of all our liberties which we call British parliamentary institutions.

Another speaker at the Port Hope conference was the late John W. Dafoe, then editor of the Winnipeg Free Press, whose death several weeks ago was a great loss to Canada. He stated that, having won the legal and political rights of man, a Liberal administration should engage itself in obtaining those rights in the economic order which men seek, and to which they are entitled. Socialism, on the other hand, he warned us, in striving for economic ends would destroy the status of individuals, both as to their legal and their political rights, thus nullifying the whole democratic movement. I would ask honourable members to recall that these views were expressed over ten years ago. He added:

> The struggle upon which humanity is now entering is not likely to be brief; it will be only the young men and women of to-day who will see the complete routing of those malign forces which have descended upon the minds of men. But in the day of victory, when the cause of liberty will be made safe for the world, they, looking backward, may rejoice that by this challenge they learned that the liberties bequeathed to them by their fathers were worth fighting for.
>
> Parrot cries are heard on all hands that the democratic system is dead beyond recovery and it only remains for Fascism and Communism to fight for control of the world. But those who talk thus reckon without the marching hosts of men who were born free, purpose to remain free, and intend to see that their children will be free.

It is with pardonable pride that I refer to the Right Honourable Vincent Massey, Canada's High Commissioner to London, and his charming wife, who have given such distinguished service to Canada and the Empire for almost a decade. At that Port Hope conference Mr. Massey made this statement:

> We need not wait for historians of the future to tell us that the last generation is marked chiefly by the struggle between two functions, politics and economics. In the nineteenth century there was little risk of clash between the two. Politics left economic activity largely in private hands and was concerned with other

things. But gradually the state has been forced to turn its attention to the economic field. Early approaches took place in England when the great programme of social legislation was launched before the war.

That is, the war of 1914-1918.

To neglect the realm of economics as being beyond government, and to restrict political activity to the narrower field which prevailed in the nineteenth century, is to pursue a policy that is merely antiquarian.

If civilization means anything, men and women must have the assurance of security against those material evils from which the state can protect them; and they must enjoy the guarantee of minimum standards of life. This is no side issue; it is a major objective.

Whether we discuss the railways or the budget or a central bank or company law, it is essential to keep in mind the end and object of all such machinery, human security and human welfare.

The proper discharge of social responsibility involves of course an extension of the task of government, and it may be honestly feared that from the new functions which it is asked to assume individual freedom may suffer. In answer, however, it may be said that while freedom at one time meant freedom from government interference, it must now mean freedom by government regulation. Individualism, however "rugged" it may be, can no longer be left to itself. It can in fact be safeguarded only by means of the control which the state provides.

Social and economic investigations in Canada and other countries have provided us with valuable information. For example, we have the advantage of the Rowell-Sirois report, the Beveridge plan of Great Britain, the Social Security Act of the United States, and the social security scheme of New Zealand. I should also mention that declaration of the Atlantic Charter assuring mankind freedom from fear of privation, want and insecurity. That is merely a brief reference to the wide territory covered by these inquiries into problems of our own day. The reports and recommendations indicate a resolve to find satisfactory solutions of those problems by adapting our political structure to our economic needs.

In Canada we have added unemployment insurance to the social enactments providing for old age pensions, mothers' allowances, workmen's compensation, extension of public health services, pensions to the blind, hospitalization assistance and other institutional care, the National Housing Act of 1938, the Prairie Farm Assistance Act of 1939, the Youth Training Act of 1939, temporary measures of unemployment relief, and so on.

The Speech from the Throne forecasts family allowances, a national health insurance bill, an increased measure of contributory old age pensions, and the establishment of three new departments, including a Department of Social Welfare.

So far I have confined my remarks to the Government's domestic policy for the furtherance of human welfare and social security as our country emerges from the war. I have referred to the approval of that policy which individual citizens have expressed to me. Newspaper comment also has been favourable to the Government's social security proposals. Let me quote, in part, this editorial from the Montreal Gazette, an all-out Conservative paper:

By and large it may be said that the general objectives of the prospective bills announced indicate sound moves along desirable lines.

Some are so obviously desirable, if not necessary, as to be unavoidable for the Government, such as the proposed machinery to look after veterans, reconstruction and social welfare measures. Others can be tentatively accepted in a broad way only with reservations, pending close study of actual plans; this applies especially to such items as family allowances and the industrial employment bank. Indeed, final judgment on virtually all of the proposals must properly be deferred until the special draft bills are brought before Parliament and discussed and dealt with by the members, who, we trust, will not be unduly influenced by the fact that this is an expected election year. But, on the whole, the Government is to be commended for striking out in the right direction and setting objectives which, if soundly implemented, should work for the benefit of this country and its people.

The Brantford Expositor may be regarded as a supporter of the Progressive Conservative party. Hence my selecting this editorial from a recent issue:

The Speech from the Throne foreshadows some of the most important and, in many respects, most advanced legislation in the Dominion's history. Most far-reaching of the proposals are those relating to the social structure, and outstanding in this category is the outline of a measure for family allowances, "to aid in ensuring a minimum of well-being for the children . . . and to help gain for them a closer approach to equality of opportunity in the battle of life." Clearly derived from the Marsh report, Canada's counterpart of Britain's Beveridge plan, there will be wide sympathy and general concurrence in the principle involved.

Closely allied to the family allowance scheme are those calling for an extensive and, indeed, nation-wide system of health and unemployment insurance, designed to protect the citizenry from privation. Similarly intended is the recommendation that old age pensions be advanced to "a more generous basis than at present in operation." This last represents an urgently needed and long overdue improvement.

The Government is wise in thus offering blueprints for the post-war rehabilitation of Canada. Now is the time to lay such plans, to examine them and to set them in working order.

Shrewd observers are likely to see in this remarkable series of recommendations certain political portents.

They may even take it as an indication that a federal election will not be long post-

poned. Be that as it may, the impact of the newly indicated legislative pattern will be great.

To statesmen of a few generations ago, such suggestions would have appeared fantastically Utopian. Of course, the evolution of time discloses new and startling developments, and between ideals and execution lie much work and experiment; but the Speech from the Throne stands as a document with few parallels in its class, and is impressively reflective of the degree of social evolution through which the Dominion has advanced.

I had intended to refer to some other matters, but in view of the time, and the fact that at least one other honourable gentleman is to follow me, I shall leave these remarks to honourable members to think over, in the hope that when the detailed plans come before this House we shall give them due consideration in order that we may arrive at satisfactory conclusions.

Some Hon. SENATORS: Hear, hear.

Hon. NORMAN LAMBERT: Honourable senators, I should like to refer briefly to those features in the Speech from the Throne which deal with prospective conditions in this country after the war. Before doing so, however, I should like to join with those who have already extended their felicitations to the mover (Hon. Mr. Johnston) and the seconder (Hon. A. L. Beaubien) of the Address, and congratulate them upon the splendid style as well as the subject matter which characterized their deliverances.

Without any invidious distinction, I should also like to commend the honourable senator who has just taken his seat (Hon. Mr. Duffus) for the thoughtful and carefully prepared address he has presented to us to-day. I was particularly pleased with the admirable and apt quotations which he produced from a book named "The Liberal Wa.," which already, I am afraid, has been too much forgotten. "The Liberal Way," without any partisan significance being attached to the title, represents a collection of the various papers and discussions presented at a memorable conference which took place at Port Hope in 1933. The honourable senator's references to that conference and also to the services that have been so valiantly rendered to Canada since that time by the honourable Vincent Massey and his wife, in London, were sincerely appreciated, because it was my great privilege to be closely associated with them for a number of years, and to have been one of the organizers of the 1933 conference.

There has been much discussion during the past year on the subject of post-war reconstruction. The Advisory Committee on Reconstruction, which with its various subcommittees was under the chairmanship of principal James of McGill, has submitted its report to the Government and has been dissolved. The special Parliamentary committees of the House of Commons and of the Senate held many sessions and heard outstanding witnesses from leading industrial and financial organizations of this country, as well as some individual specialists who were called from the Civil Service. The work of all these committees, I think, has served to focus public opinion upon the whole problem of post-war reconstruction.

The contents of the Speech from the Throne may be taken as a sequel, and to some extent at least as a complement, to the efforts which have been put forth through not only our own special committee of the Senate, but the House of Commons committee and the main executive body of the James committee and its sub-committees, to clarify our own minds and those of the public generally concerning the importance of adequate steps being taken to prepare for the transition from a wartime to peacetime economy.

The undertaking is now given that a Department of Reconstruction will be established to promote and co-ordinate planning for national development and post-war employment. I agree with what has already been said during the course of this debate about the importance of definite and practical action now being taken with a minimum of talk and discussion, to lay the ground for these projects and enterprises which will help this country to carry itself from wartime to a peacetime basis of life.

Similarly, in the field of social services we have been promised a Department of Social Welfare to organize and administer activities in relation to health and social insurance. Much practical work in co-ordinating the efforts of the provinces with those of the Dominion has to be done in connection with this particular proposal. In the whole matter of approaching the post-war period I fully agree with the words of advice given out of the fullness of his experience in the last war by the honourable senator from Saltcoats (Hon. Mr. Calder) at the conclusion of our last session, when he urged that no time should be lost in making thorough preparation to meet the possibly sudden demands of peace.

I think the time has arrived when the problems of reconstruction must be committed to a department, which, I trust, will be headed by someone with practical experience—a ways-and-means type of man with large executive capa-

city, who will address himself to the orderly arrangement of projects that may be undertaken in this country in the future, if possible and as far as possible, on a self-liquidating basis. The problems of reconstruction are so tremendous in their prospect that we can only classify them roughly into two groups: one relating to the importance of a decent international arrangement at the end of the war for the purpose of developing processes of exchange and the circulation of trade throughout the world, thus helping our very important basic industries; and the other, relating to those domestic improvements and developments that would demand supervision by the type of administrator I have described.

We must also keep in mind the large financial obligation that is being incurred by this country during the war. The prospective heavy budgets for ordinary purposes that we shall have to face, plus the maintenance of those services which have been mentioned in the Speech from the Throne and of the three important branches of the defence service which Canada is bound to maintain if she is to take a respected position in the world, make it difficult to see how measures of control and rationing can be avoided for some time in the future. That being a possibility, almost a certainty, the task ahead of the minister in charge of the proposed Reconstruction Department becomes all the greater because the projects he must supervise will be subjected to the same limitations of scarcity of materials, planned financing and controls, priorities and rationing which have been placed upon all projects during the war. The peril of inflation will be greater even than it is to-day.

In short, and in conclusion, the problems which confront the democratic nations in their desire to preserve the liberty and freedom of their peoples after the war will be, in my opinion, even more difficult than those they have had to deal with in defeating the enemy.

Hon. SENATORS: Hear, hear.

The Address was adopted.

RIGHT HON. LORD SEMPILL

LETTER OF THANKS TO THE SENATE

Hon. C. W. ROBINSON (Acting Speaker): Honourable members, it will be recalled that on Wednesday we had the pleasure and honour of a visit from Lord Sempill. His lordship has addressed to the Honourable the Speaker the following letter:

To the Honourable the Speaker of the Senate:

From the Right Honourable Lord Sempill:

Mr. Speaker, I pay to you, Sir, and through you to the honourable members of the Senate of the Kingdom of Canada, my humble duty, and pray you to receive this expression of my deepest thanks. The second day of February in the year of Our Lord 1944 will rank as the proudest in my life, since I had the high privilege of being called by Mr. Speaker to a seat on the steps of the Throne.

That honour was crowned when Mr. Speaker, before the Senate dissolved, expressed on behalf of honourable senators a gracious and cordial welcome that was supported by the Honourable Senator J. H. King and the Honourable Senator C. C. Ballantyne, to which custom very properly allowed of no reply.

Every Scot in Canada is at home surrounded always by those of the blood. The Elected Scots Representative Peer whom Mr. Speaker welcomed was most conscious of this warmth of feeling. The head of a family—Forbes of Craigievar—who for over three centuries have been Nova Scotian and Baronets of this first of all the provinces, this cradle of Empire, has of a truth come home, and on a mission concerning special war service activities overseas—Knights of Columbus—for the Canadian Forces in the field. About him are many Scots, among them Forbes—fellow clansmen and Sempills (or Semples).

The Royal House of Stuart had great prevision when they established a settlement on the North American continent that ultimately grew into the Kingdom of to-day. The plan did not develop as rapidly as hoped, but the influence of the Scot was from those pioneering days all compelling, as maps show and history recounts—and so will it be.

The customs of the Gael are handed down to those who will shape the to-morrow: may it be urged from the heart that our ancient tongue that was once spoken over Europe should be vigorously encouraged. We Scots are a bilingual people; the Gaelic for the home, English for the market place.

Mr. Speaker and honourable senators have in exercising the privileges of their high position reaffirmed that the King of Canada numbers the Baronets of Nova Scotia among his subjects, so he who is privileged to submit this letter of thanks will say:

This is my country
The land that begat me
And these great spaces
Are surely my own

And those who there toil
In the sweat of their faces
Are flesh of my flesh
And bone of my bone.

(Translation):

Mr. Speaker of the Senate:

Honourable French Canadian Senators:

I appreciate with all my heart the honour you have bestowed on me, the more so because, as a Scotsman, I have the feeling of an indissoluble bond with France, of a union of cooperation and deep friendship developed and strengthened in the course of so many centuries.

You may be sure, Mr. Speaker and Honourable Senators that mine is a voice that springs from the heart—which is the only voice that reaches the heart.

Sempill
A Scots Representative Peer,
A Baronet of Nova Scotia.

Ottawa, February 4, 1944.

ADJOURNMENT OF THE SENATE

Hon. J. H. KING: Honourable senators, I move that when the House adjourns to-day it stand adjourned until Tuesday, March 7, at 8 p.m. If the motion is carried, it will of course be understood that the Senate is subject to recall at any time, under the provisions of the resolution adopted on January 27 for emergency sittings.

The motion was agreed to.

The Senate adjourned until Tuesday, March 7, at 8 p.m.

THE SENATE

Tuesday, March 7, 1944.

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

Prayers and routine proceedings.

DIVORCE COMMITTEE EVIDENCE

MESSAGE FROM COMMONS

The Hon. the SPEAKER informed the Senate that a message had been received from the House of Commons agreeing to the Senate's request for the return of the evidence taken before the Committee on Divorce during the last session of Parliament, upon which the following Bills were founded:

Bill J3, an Act for the relief of William Taffert.

Bill W4, an Act for the relief of Ruth Usher Garson.

NEW SENATORS INTRODUCED

Hon. Telesphore Damien Bouchard, of St. Hyacinthe, Quebec, introduced by Hon. J. H. King and Hon. L. M. Gouin.

Hon. Armand Daigle, of Montreal, Quebec, introduced by Hon. J. H. King and Hon. D. Raymond.

Hon. Joseph Arthur Lesage, of the city of Quebec, introduced by Hon. J. H. King and Hon. J. F. Fafard.

THE LATE SENATOR SAUVE

TRIBUTES TO HIS MEMORY

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, as we are all aware, since we last met here the honourable Senator Sauvé has passed away. Senator Sauvé was born in 1874. He was a journalist by profession, at one time being secretary to the editorial staff of La Patrie, Montreal, and later editor-in-chief of a magazine known as the Nation. The senator had a very long and interesting career in the public life of the province of Quebec. He was first elected to the provincial Legislature in 1908, and was re-elected at each successive election up to and including that of 1927. In 1930—that is, after he had been a member of the Legislature for some twenty-two years—he resigned his seat to become a candidate for the House of Commons in the Dominion general election of that year. Having been successful in his campaign, he was made a member of Mr. Bennett's Cabinet as Postmaster General, which office he held until 1935, when he was summoned to this honourable Chamber. He was well known throughout the province of Quebec for his industry in and close attention to public affairs, relating not only to his own province, but to the Dominion as a whole. We well remember his regular attendance and hard work in this House; it is probable that in these respects he was not surpassed by any honourable member.

It is my desire at this time to express to the late senator's widow and other members of his family our deepest sympathy in their sad bereavement.

Hon. C. C. BALLANTYNE: Honourable senators, such occasions as the present are always tinged with sadness.

The late Senator Sauvé was born, brought up and spent all his life in the beautiful district of Two Mountains. The public career of very few men in Canada can compare with that of our late senator. His being elected five times to the Quebec House and once to the House of Commons clearly demonstrates not only his popularity with his electors, but also their implicit confidence in his ability and integrity. He was certainly a very useful member of this Chamber.

Senator Sauvé was proud of his race, proud of his province, proud of the Dominion of Canada. A journalist by profession, he devoted the best part of his life to public affairs, and the record of his political career, which the honourable leader of the House has just referred to, shows a lifelong devotion to the public interest that must be a source of gratification to his widow and family.

I might mention that the late senator's only son, Captain Paul Sauvé, is overseas at the present time.

I desire to associate those on this side with honourable members opposite in an expression of deep sympathy with the late senator's widow and family.

Hon. Sir THOMAS CHAPAIS (Translation): Once again the Grim Reaper has snigled out a victim among the members of the

Canadian Senate. One month ago we had to lay the tribute of our grief over four new graves. To-day we still have the painful duty of speaking words of remembrance and farewell concerning an esteemed colleague whose voice will no longer be heard in this House.

Hon. Arthur Sauvé was for many years one of the outstanding political representatives of the province of Quebec. Born in the historic county of Two Mountains, he acquired a thorough education at Sainte Thérèse Seminary and at the University of Montreal. Afterwards, yielding to a powerful attraction, he turned to public life, coming to it, as many others had done before him, after spending some time in newspaper work. Employed first on the editorial staff of La Patrie, where he served under that doughty fighter, Mr. Israël Tarte, he later became the editor, first, of the Canadian and then of the Nation. From that time on he built up that fund of knowledge which was to be so valuable for the appreciation of men and actions and so helpful to him in his later career. Then, proving once more the truth of the stock saying that "a newspaper career leads to everything, provided one gets out of it," he left that field to become the member for his native constituency. First elected in 1908 as the representative of Two Mountains in the Legislative Assembly, he was given by his fellow citizens a similar tribute of confidence in six consecutive general elections. In 1930 he resigned his seat in the Legislature to run in the combined constituencies of Laval-Two Mountains at the Dominion election, and was returned as a member of the House of Commons. Finally, in 1935, he was called to the Senate. He had for twenty-seven years been the representative of his native constituency, enjoying the confidence of the electors to a rather unusual degree in our political history.

The most important and remarkable stage in that long career was certainly the period in which he led the Opposition in the Quebec Legislative Assembly. The party to which Mr. Sauvé belonged had in rapid succession met crushing defeats. A period of militant and brilliant vitality—from 1912 to 1916—had been followed by a new and more crushing rout in the 1916 general election. The small group of six Conservative members who had managed to stave off defeat requested Mr. Sauvé to assume the leadership of that Opposition, reduced to pitiable impotence. With the greatest courage and the most praiseworthy self-denial, he accepted that thankless task. For ten years, entertaining no illusions and seeing no prospect of success, almost alone against a huge majority, he led the parliamentary battle with truly admirable steadfastness, courage and valour. He then made good use of the knowledge he had acquired over a long period, and his extensive political experience stood him in good stead. Watchful and industrious, ever in the thick of the fighting, ever overwhelmed in the vote, and ever ready to resume the attack, he compelled the respect even of his opponents through his fearless tenacity. At that stage of his career the well-known verse of the Latin poet could quite appropriately have been applied to him: justum et tenacem propositi virum. I used the word "tenacity." In its better meaning, it was perhaps the main feature of the moral character of our lamented colleague.

However, a combination of new circumstances finally opened to Mr. Sauvé the door of Dominion politics. As I have said, the electors of his staunch county of Two Mountains joined, in 1930, with those of Laval in returning him as their representative in the House of Commons. Fortune having smiled on Hon. R. B. Bennett and put him in power, Mr. Sauvé was appointed to the position of Postmaster General, in which capacity he served with diligence and wisdom until 1935. Then, as the crowning of his long and active career, he was called to this House.

In the Senate Hon. Mr. Sauvé showed special fondness for matters affecting the farming community. Born in a rural district, having represented for many years a constituency where the basic industry was agriculture, he rightly considered it the most secure foundation of national prosperity. And on many occasions he gave evidence of this interest through his timely participation in the debates of this House.

At the beginning of this session there was nothing to give us a premonition that our colleague was soon to depart this life. But, latterly, it seems that he had silently been suffering from a painful depression. His son, Major Paul Sauvé, who had succeeded him as the member for the constitutency of Two Mountains in the Quebec Legislature, who was already an outstanding political man, and who had been Speaker of the Legislative Assembly from 1936 to 1939, had enlisted in the Canadian army at the beginning of the Great War. A few months ago, like many others, he had gone overseas on active service. It would seem that our colleague had been sorely affected by this departure. The conflict of emotions in the heart of the father and citizen had no doubt impaired his usual vitality. I am sure I voice the feelings of every member of this House in conveying to Major Sauvé, across the ocean, the expression of our heart-felt sympathy.

Honourable members of the Senate, before the grave of one of our colleagues, we can only

bow our heads, and offer his widow and the bereaved family the tribute of our sincere condolence.

Hon. L. M. GOUIN: Honourable senators, on behalf of the French-speaking colleagues of our late member from Rigaud (Hon. Mr. Sauvé) I wish to associate myself with the honourable senator from Grandville (Sir Thomas Chapais) in his expression of our great sorrow on this sad occasion.

Our late colleague was indeed a very good representative of the rural class, for he always showed deep interest in everything concerning agriculture. Again and again he rose from his seat to defend the rights of our farmers.

As has just been recalled, he began his public life in the Legislature of Quebec. While leader of the Opposition there he was the opponent of my late father, Sir Lomer Gouin. They sat on opposite sides of the House, but, though political opponents, they were at the same time personal friends. In dealing with those who differed from him in opinion our late colleague was invariably tolerant and sympathetic. I shall never forget the warm friendship he constantly extended to myself.

His son, as stated by the honourable gentleman from Grandville, is on active service overseas. He is a member of the Legislative Assembly for the constituency of Two Mountains, and he continues in Quebec the tradition of his father. Major Sauvé is in peace-time a distinguished member of our Montreal Bar. He is indeed an excellent friend of mine. To him and to all his family I wish to express my most sincere condolence.

Hon. EUGENE PAQUET (Translation): Hon. senators, it is with deep regret that I apprise you to-day of the decease of Senator Arthur Sauvé.

For many years he rendered priceless services as leader of the Conservative party in the Quebec Legislative Assembly.

We all liked the way he led the debates and dealt with political matters with his colleagues. Hon. Mr. Sauvé was always among the senators who extended the most cordial welcome to new members of this House, and since 1935, as his room-mate, I had the opportunity of becoming intimately acquainted with him.

Senator Sauvé's personality will always be a model for the youth of our country. We must rehabilitate our youth from the moral, social and professional standpoints. He urged French Canadian youth to seek economic predominance in order to attain the destiny assigned to them by Divine Providence. In any case, there is one point that must not be forgotten; among the serious post-war problems there will be immigration, which, for various motives, certain parties, endowed with powerful means, would like to see carried out rapidly and on a large scale.

Senator Sauvé had dedicated his life to the economic progress of his fellow-citizens.

I was especially happy to see him enjoy, in the Senate, the reward of a political and administrative career well filled with useful undertakings.

Senator Sauvé devoted his greatest efforts to promote prosperity among the rural communities. He enjoyed an enviable reputation in agricultural circles, and he certainly deserved the tokens of esteem and trust of which he has been the object.

Hon. ARTHUR MARCOTTE: Honourable senators, I wish to add a few words to the praise so eloquently offered in memory of Senator Sauvé. I made the acquaintance of our colleague when we were both very young in the Ste. Thérèse Seminary, about sixty years ago, and this has been the beginning of a friendship which has become closer with the years.

It is stated that one reaps in old age what one has sown in youth. It was so in Senator Sauvé's case. Endowed with the love of learning, and with courage and perseverance, he was sowing and preparing for a future which, as we all witnessed, carried him to the highest honours, at the end of a brilliant and productive career, which, at the same time, was extremely useful both to his fellow citizens and his country.

I do not intend to follow the deceased through the various stages of his life. However, I wish to lay special emphasis on one particular aspect of it.

Senator Sauvé was a country lad, a lover of his native soil; this was evident in his life-long interest in agricultural matters. Whether he was at the newspaperman's desk, in Parliament, in the office of a minister or in his seat in this House, his first concern was always for the farmer, his problems and his welfare.

In travelling through his county of Two Mountains, which he considered somewhat as his own, the definition of "native country" given by Adjutor Rivard in his book "Chez Nous" took on a special significance in our minds. For our colleague, Mr. Sauvé, the county of Two Mountains, every parish and parishioner of which he knew, the Lake of Two Mountains, the Mille-Isles river, the agricultural colleges, constituted his "native country." This excessive love of so small a native country may have prevented him from broadening his outlook and viewing things on

a larger scale. However, I do not think so, for he had a sincere love of his native land, Canada, which he aspired to see great, prosperous and happy.

Devoted to his home and bound to his family by ties of exclusive affection, the late senator must have suffered a severe blow in his fatherly heart when his son, Major Paul Sauvé, left for overseas. That very evening he told me, "You know, I shall never see Paul again," and his eyes were filled with tears. His son was hastening to meet danger face to face, and my friend did not realize that old age is fraught with dangers greater than war itself. War often spares our men, but old age leads to the grave. He did not see his son again.

To the bereaved family I offer my most sincere sympathy and the memory of my lamented friend will always remain vivid in my mind.

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

THE SENATE

Wednesday, March 8, 1944.

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

Prayers and routine proceedings.

NEW SENATOR INTRODUCED

Hon. Cyrille Vaillancourt, of Lévis, Quebec, introduced by Hon. J. H. King and Hon. J. F. Fafard.

PRIVATE BILLS

FIRST READINGS

Bill B, an Act respecting the Vancouver, Victoria and Eastern Railway and Navigation Company, the Nelson and Fort Sheppard Railway Company and Great Northern Railway Company.—Hon. Mr. Farris.

Bill C, an Act to incorporate Wesleyan Methodist Church of America in Canada.—Hon. Mr. Hayden.

Bill D, an Act respecting the New Brunswick Railway Company.—Hon. Mr. Robinson.

Bill E, an Act respecting Gore District Mutual Fire Insurance Company.—Hon. Mr. Euler.

STANDING COMMITTEE ON FINANCE

MOTION

Hon. J. H. KING moved:

That the Standing Committee on Finance be authorized to examine expenditures proposed by the estimates laid before Parliament, and by resolutions relating to war and other proposed financial measures of which notice has been given to Parliament, in advance of the Bills based on the said estimates and resolutions reaching the Senate.

He said: Honourable senators, the purpose of this motion is to enable us to follow the procedure we adopted last year for considering war appropriation resolutions presented to the House of Commons prior to the Bills based thereon reaching this Chamber. We did that last session, with, I think, some satisfaction to honourable members.

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 F, an Act for the relief of Theodore Zalopany.

Bill G, an Act for the relief of Thelma Alice Warren Whittet.

Bill H, an Act for the relief of Ethel Sangster Muir.

Bill I, an Act for the relief of Kiril John Christo.

Bill J, an Act for the relief of Helaine Ethel Leopold Lax.

Bill K, an Act for the relief of Cecil Benjamain Pomeroy.

Bill L, an Act for the relief of Pinnie Rosenhek Leopold.

Bill M, an Act for the relief of Paul Sansom White.

Bill N, an Act for the relief of Mary Hope Beers Ross.

Bill O, an Act for the relief of Wasyl Usypchuk, otherwise known as William Usypchuk.

Bill P, an Act for the relief of Walter Stanley Spencer.

Bill Q, an Act for the relief of Emma Gertrude Groves Morris.

Bill R, an Act for the relief of Gertrude Margaret Amy Ogilvie.

Bill S, an Act for the relief of Myrtle Josephine Teel Odell.

Bill T, an Act for the relief of Marjorie Helen Parker Leduc.

Bill U, an Act for the relief of Margaret Derry Kirby.

Bill V, an Act for the relief of George Thomas Bragger.

Bill W, an Act for the relief of Freda Watson Norman Daniels.

Bill X, an Act for the relief of Iris Mabel Dash Wilkinson.

Bill Y, an Act for the relief of Joseph Ulric Edouard Burns.

Bill Z, an Act for the relief of Thomas Henry Dwyer.

Bill A2, an Act for the relief of Elsie Margaret Ormandy Henderson.

Bill B2, an Act for the relief of Arthur Charles Duffy.

Bill C2, an Act for the relief of Kathleen Edna Ellis Wainwright.

Bill D2, an Act for the relief of Diana Lenore Carsley Tenenhouse.

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

THE SENATE

Thursday, March 9, 1944.

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

Prayers and routine proceedings.

BUSINESS OF THE SENATE—ADJOURNMENT

Hon. J. H. KING: Honourable senators, in order that honourable members may be advised before planning their leave from Ottawa to-morrow, I think I should state that this morning it was intimated to me that the consideration of the War Appropriation Bill in another place will probably be concluded before the Easter adjournment, and it is the hope that the Bill will be assented to before Easter. That being so, I think it wise that to-morrow we should adjourn to the 21st of March, so that we may have time to deal with the Bill before the Easter recess and have it in readiness for the Royal assent.

LEADER OF PROGRESSIVE CONSERVATIVE PARTY—ABSENCE FROM PARLIAMENT

INQUIRY AND DISCUSSION

Hon. J. W. deB. FARRIS rose in accordance with the following notice:

That he will call the attention of the Senate to the conventions of the Constitution under our parliamentary system of responsible government, with particular reference to the established custom of the Leader of the Opposition having a seat in either House of Parliament, and will further call attention to the fact that the leader of the Progressive Conservative party, now the official Opposition, has made no effort since his selection as leader to secure a seat in Parliament, on the contrary, is conducting an active political campaign divorced from any parliamentary duties or responsibilities, and will submit for the consideration of honourable senators that this procedure is a departure from the best constitutional procedure, is subversive of parliamentary government, and is not in the public interest.

And further take notice that at such time I shall inquire about the foregoing matters.

He said: Honourable senators, I gave notice to this House of an inquiry and submission which I purpose making to-day, based on the fact that Mr. John Bracken has assumed the political leadership of the Progressive Conservative party and is actively functioning in that capacity, and that he has not made any attempt, as part of the duties of that position, to seek a seat in Parliament and to assume, what I believe is an essential part of such duties, the leadership of the Opposition. And I stated that I would submit for the consideration of honourable senators that this procedure is a departure from the best constitutional procedure, is subversive of parliamentary government and is not in the public interest.

Hon. Mr. BLACK: May I ask the honourable senator a question? What does he propose to do about it? Or what does he propose that this Chamber should do?

Hon. Mr. FARRIS: I propose to discuss the matter.

Hon. B. F. SMITH: What for?

Hon. Mr. FARRIS: I do not suppose that I can control the actions of an honourable gentleman who is not in Parliament, but I take it that this is a public matter of interest which is properly a subject for discussion in this Chamber.

Hon. Mr. QUINN: May I ask the honourable gentleman a question? He has just stated that Mr. John Bracken is the Leader of the Opposition.

Hon. Mr. FARRIS: No, I did not say that.

Hon. Mr. QUINN: I understood him to say that. I just wanted to point out that Mr. Bracken is not the Leader of the Opposition. Mr. Gordon Graydon is the Leader of the Opposition.

Hon. Mr. FARRIS: If my honourable friend had listened he would have heard me say that Mr. John Bracken had assumed the active political leadership of the Progressive Conservative party, but had not taken on the duties of the Leader of the Opposition. I said quite the contrary to what my honourable friend has suggested.

Hon. Mr. QUINN: I am sorry.

Hon. Mr. FARRIS: Having given this notice, which I understood was a proper procedure in this House, I was much surprised this morning to read in an Ottawa morning paper a somewhat violent attack on my proposed discussion.

Hon. B. F. SMITH: No wonder.

Hon. Mr. FARRIS: Perhaps my honourable friend's observation will fit in very well with what I am about to say. It would appear that I have touched something rather sacred, or perhaps something that is a very tender spot.

Hon. Mr. BALLANTYNE: No, no, not at all.

Hon. Mr. FARRIS: I do not know. The suggestion has been made that what I said in my notice was childish. It would appear to me that the only thing that is childish is the unreasoned judgment rendered by the paper before hearing the argument. Perhaps it is to my advantage, to this extent: that after I have made my argument, if there is further criticism from the same source, it will be largely discounted, because the paper has disqualified itself in advance. I am condemned because there are other alleged parliamentary abuses which, the paper says, I have not spoken about. One pointed out is that the Government has not provided more work for this Chamber. Well, I recall very distinctly at the last session expressing my deep regret that that was the fact, and I repeat it to-day. There may be other abuses not germane to this discussion. But I have this to say, that, if it be admitted there are other abuses, that is no reason why I should be muzzled or intimidated.

It is suggested that this is petty politics.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. FARRIS: My friend places himself in the class of the newspaper and passes judgment before he hears the argument.

Hon. Mr. BALLANTYNE: All right.

Hon. Mr. FARRIS: It is suggested that it is poor tactics. Well, I am not here to discuss this on a basis on tactics, and I can assure my honourable friend that in no way was the Government conversant with what I intended doing until I gave notice of it in this House. I do not regard it as petty politics to discuss in this House a public question of public importance.

I notice there has been a Gallup poll in which fifty per cent of those who expressed an opinion held the view that Mr. Bracken should be in Parliament. In those circumstances it is hard for me to understand why the honourable leader opposite (Hon. Mr. Ballantyne) should say that a proposal to discuss this question is petty politics.

As I say, I have outlined in my notice what I intend to discuss. I propose first, honourable senators, to submit to your consideration, quite dispassionately, I hope, and as a reasonable view of a public question, my opinion that this procedure is not the best constitutional procedure; and I put some emphasis on the word "best" for reasons which will appear later. I would call your attention to the fact that under the British parliamentary system of government, which we enjoy in Canada, we have both representative and responsible government, and I would point out that there is a fundamental difference between the two. Every democracy, so far as I know, enjoys representative government; but responsible government, as I understand it, is peculiar to the British parliamentary system. As an illustration let me point to the United States. That country has representative government, but in no sense of the word does it have responsible government as we understand it in this country. The President of the United States is not responsible to Congress, and it may well happen, and I think it has happened more than once, that there will be, say, a Democratic President and a Republican Congress, or vice versa; and if at any time the President and his administration should meet with an adverse vote in Congress, it would not in any way affect his term of office, which would continue for the full four years.

Now, the British system operates on an entirely different principle. Under the British system the executive branch of government and the parliamentary or legislative branch are so closely tied in together that it is necessary at all times for the Government to have the support of the House of Commons. Whenever the Government is defeated, the Prime Minister must resign or seek immediate re-election. The essence of responsible government is that the Government is at all times responsible to the elected representatives of the people. It is this principle which makes Parliament the supreme representative of the people, both in legislation and administration. Parliament is representative of the people, and the Government is responsible to Parliament.

There is a necessary corollary to this form of responsible government. It is that the Prime Minister and the responsible heads of government shall serve in Parliament. There have been many instances in which a Prime Minister has been defeated, but there are no instances in which, having been defeated, he did not at once either resign or seek another constituency. Under the conventions of our Constitution, if a Prime Minister or any of his colleagues in the Government should

undertake indefinitely, or for a long period of time, to carry on his duties without a seat in Parliament, there would be a public outcry which would make the attempt impossible.

Hon. Mr. LEGER: May I ask if that would be constitutionally wrong, and, if so, whether the honourable gentleman can point out any rules to that effect?

Hon. Mr. FARRIS: There is no rule to that effect except the unwritten rule of the conventions of the Constitution; and the conventions of the Constitution can be well illustrated by the good English phrase: "That sort of thing is not done."

Hon. Mr. LEGER: According to the honourable gentleman, it is an unwritten law.

Hon. Mr. FARRIS: It is an unwritten law, which is one of the strongest kinds of law that we have under our system of government.

Hon. Mr. LEGER: It is not obligatory.

Hon. Mr. FARRIS: The next step in this analysis is that the parliamentary system is based on the theory of a divided Parliament, on the theory of a Government and an Opposition, which gives balance and makes the system really workable. The theory of responsible government is not that there should be a responsible Ministry and an irresponsible Opposition. It is an inevitable outcome of our principle of government that there should be a recognized Leader of the Opposition, and for that reason there is to-day voted to that individual a substantial salary, equal, I think, to that of a Cabinet Minister. That salary is not intended for a substitute; it is not intended for an understudy, but for the prima donna.

I have here Alpheus Todd's book on Parliamentary Government in England. I shall not read from it at length. This, I believe, is a high authority on this question. In the second volume, at page 417, the learned author says this:

> As a 'legitimate Opposition forms the true counterpoise of the Constitution,' so the leadership of the Government is suitably reflected in a leadership of the Opposition, by means of which the forces of the opposing party are marshalled and controlled.

It is my submission that the Leader of the Opposition should function in the full activity of leadership of the party which he represents, not as substitute or understudy; because, mark you, under our system, if the Opposition should defeat the Government, the Leader of that Opposition is the man who in the ordinary course of our procedure would be called upon by His Majesty or His Majesty's representative to form a government.

Hon. Mr. BALLANTYNE: Not always.

Hon. Mr. FARRIS: Not always; there may be special reasons for doing otherwise, but that is the working principle.

Now, if I am right in my analysis, and if the learned author I have quoted is right, I believe that towards the good working of our Constitution the Leader of the Opposition can make a contribution which in importance will be secondary only to the contribution of the Prime Minister himself, and it is my submission that if the man who holds the real power and control as leader of a party absents himself over a long period from his position in Parliament, his breach would be secondary only to that of a Prime Minister who did the same thing.

I need not state to honourable members who have had a long experience in this Chamber, and many of whom were for a long time in another place, that an essential part is played by the Opposition. It has been said that it is the duty of the Opposition to oppose; that criticism by them is as necessary a part of parliamentary government as is the cross-examination of a witness in a court of justice. Cross-examination is said to be the acid test of testimony. Criticism by the Opposition in Parliament is of even more importance, because it not only performs a destructive function, but also plays a highly constructive part in legislation and administration. The whole system of Parliamentary procedure and debate is designed on the plan of a Government and an effective Opposition.

I almost hesitate to state some of these things here, because they are so well known to honourable members of this Chamber; but sometimes it is well to keep in mind the continuity of things in order to present them with their full force. Parliament is recognized as the sounding board of public opinion. It is more than that; it is the testing place of public policy, and sometimes of what is even more important, the character and capacity of a nation's public men. The whole system of procedure and of debate is designed for this purpose. Parliament is the place where every day there is the clash of minds, the interchange of ideas, the expression of different points of view, the continuous moulding of opinions, the compromises, the conflicts and the declarations of policy which, under responsible government, result in government by the people. Generals of the armies are no more needed in war than are the leaders of the great parties in the nation's Parliament. Leadership by remote control is as ineffective in the one case as in the other. I submit that under our system and the well-working principles of our Constitution, no man, even

though it may be legal for him to do so, should, except under very unusual circumstances, seek to be Prime Minister without submitting himself to the spotlight of the nation's Parliament.

I can think of no more striking contrast in methods of leadership than to visualize on the one hand a man exercising leadership in Parliament, and, on the other, a man exercising leadership exclusively in banquet halls and ex parte political gatherings or other public meetings. I have no criticism to make of that procedure under proper circumstances. All I say is that no substitute for the full measure of leadership that is proper under our parliamentary system of government is in the best interest of the public. You will note that again I have used the word "best." I am not unmindful that illustrations may be given, —though I do not recall any from this Parliament—in which there has not been a strict compliance with the rule which I am submitting for your consideration.

Hon. Mr. BLACK: There are no rules laid down.

Hon. Mr. FARRIS: Oh, well, there are the rules of the conventions which, as I said before, have become understood and accepted, and which are well defined by the expression, "It is not done."

Hon. Mr. BLACK: They are not rules.

Hon. Mr. FARRIS: They are rules in the limited sense in which I am using the term.

It has been said that Mr. Mitchell Hepburn served as leader of his party in Ontario while he remained outside of the Legislature and sat in the Parliament of Canada. As I do not come from Ontario, it would not be fitting for me to say whether or not Mr. Hepburn is a good example. I would, however, point out that Mr. Hepburn was following a precedent established by Dr. Tolmie, who was the member of Parliament for Victoria, British Columbia, and who accepted the leadership of his party in that province. He stayed in Parliament, and I am told—perhaps honourable members will know better than I do whether this is true or not—that the then Prime Minister of this country, Mr. R. B. Bennett, highly disapproved of Dr. Tolmie's action at that time. The point I want to make is this. In the first place the people of British Columbia knew Dr. Tolmie personally as one of the nicest and finest gentlemen British Columbia ever produced—and I am glad to say that about him—but they did not know anything about his capacity to be the leader of a party in Parliament. Consequently they elected him; but at the very next election they rejected him by a large majority. When you cite to me the cases of Mr. Hepburn and Dr. Tolmie, you are simply citing cases which, if there should be one or two more, may affect the conventions of the Constitution and result in the establishment of an entirely new system. Now, I say that I do not think that is a good thing. That is my answer on that point.

Let me give two illustrations that I think have far greater application, and that apply to this Parliament. One is the present Prime Minister. It was, I think, in August of 1919 that, at a convention here in Ottawa, he was appointed leader of the Liberal party in opposition. Now, I do not think it ever entered the mind of Mr. Mackenzie King to stay out of Parliament and carry on an active political campaign without assuming his responsibilities. At the very earliest moment he sought and secured a seat in Parliament, representing a constituency in Prince Edward Island. That, I submit, is in accordance with the best constitutional procedure.

Hon. Mr. QUINN: Can the honourable gentleman cite some other cases?

Hon. Mr. FARRIS: Yes, I have another one. I am very glad to give my honourable friend the illustration of Right Hon. Mr. Meighen. Before Mr. Bracken was selected, Mr. Meighen was chosen as leader of the Conservative party. Now, honourable senators, he did have a seat in Parliament, for he was Leader of the Opposition in this Chamber, the Senate. But Mr. Meighen had too high a conception of his duties as an active leader to be content with that. I think he had more. I think he had in him too strong a determination to be in the thick of the fight and to confront his political opponents across the floor of the other House, to be ever satisfied with the position he held here. So he resigned his seat in the Senate. And I wish to say that in my judgment, with all deference to the very efficient leadership that we have on the opposite side here to-day, it was a great loss to the Senate when Mr. Meighen left this Chamber.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. FARRIS: And I want to say, honourable senators, that, in my judgment, when he was defeated in his attempt to obtain a seat in the House of Commons, that was a great loss to the public life of Canada. I have never been in agreement with Mr. Meighen's political view-point, but I have always had the highest admiration and the greatest of respect for his ability and for his courageous outspoken attitude on every public question. It was suggested by the Ottawa paper to which I have referred that the only way to treat my notice was with laughter. Well, perhaps the

learned editor knows more about this subject than I do, perhaps he was right when he said it is to laugh to think that Mr. Bracken is to come into Parliament now. But I put this to you, honourable senators, that if any man had suggested to Mr. Meighen that he should spend fourteen months outside Parliament as leader of his party and then go on for an indefinite period actively leading his party and allowing the Prime Minister and the Government to continue without his facing them and criticizing them from across the floor, the laugh on Mr. Meighen's part would have been that any such suggestion should have been made to him.

Hon. Mr. QUINN: Would the honourable gentleman allow me? Will he now cite the case of the Hon. Angus Macdonald in Nova Scotia?

Hon. Mr. FARRIS: I am not concerned with Mr. Macdonald. I say that in provincial politics there have been instances of this thing. And I say it is wrong. It has never been done before in so far as the Parliament of Canada is concerned. My honourable friend's anxiety to bring up the Nova Scotia instance shows that there is a desire to bolster up by repeated cases a series of precedents which will make Mr. Bracken's action a justifiable procedure.

Hon. Mr. QUINN: Your party is the worst offender.

Hon. Mr. FARRIS: So far, honourable senators, I have confined my remarks to what I term the conventions of the constitution as a matter of principle. Now I would ask consideration of the same subject-matter in more detail and with particular application to the present situation in Canada, having regard to the fact that Mr. Bracken is actively performing all the duties of the leadership of his party except those vital and necessary ones as leader in Parliament.

Hon. Mr. QUINN: Just the same as Angus Macdonald did.

Hon. Mr. FARRIS: And I desire to direct your special attention, and the attention of any others who may be interested in reading these debates, to two speeches which Mr. Bracken recently made: one in Quebec, and the other in the Chateau Laurier at Ottawa, this latest one made only last Friday night. In my examination of certain statements in those speeches I will use his text to support my argument that there are strong reasons why he should be performing the full measure of his responsible duties as the actual Leader of the Opposition in Parliament.

Hon. B. F. SMITH: Give him time. He will be there soon.

Hon. Mr. FARRIS: Perhaps he will. Dr. Tolmie got in the Legislature, but I do not know that it was to the public interest that he did get in.

Hon. Mr. QUINN: They all get in, in time.

Hon. Mr. FARRIS: I am not saying whether it would be a good thing for this country to have Mr. Bracken in Parliament. What I am saying is this, that if there is any truth in the newspaper statement that there is apparently a panic because Mr. Bracken made two speeches, I am wondering why he does not come into Parliament and create a complete annihilation. I do not want to be forced into making remarks of that kind, but interruptions provoke them. I want to consider certain excerpts from these two speeches of Mr. Bracken, under three headings: first, statements with which I am in disagreement; secondly, statements of principles and policy with which I agree; and, thirdly, some matters that do not appear at all in those speeches.

First, I will deal with Mr. Bracken's statements with which I disagree. I would not wish to appear egotistical, honourable senators, by parading the fact of my disagreement. I believe there are in Canada a considerable number of people who will agree with my disagreement. The first statement to which I direct your attention was made in Mr. Bracken's speech at Quebec, where, as reported by the Gazette, he said this:

> I am told that the present Government in Ottawa has a separate face, a separate voice and a different advocate for each section of this country.

Well, honourable senators, I pause to ask who told him that? He certainly did not learn it in Parliament, where, if I am right, first-hand information ought to be obtained by public leaders. He goes on:

> The party in power has not hesitated to speak one way and act another, to set one section of the population against another and fan into flame the smouldering prejudices which can destroy this nation if they are allowed to burn at white heat for very long.

That is strong language, honourable senators. It is a very serious charge. If these charges are true, I say this Senate has no right to sit idly by and say nothing. We have no public right to sit here and fiddle while Rome burns.

On the other hand, if these charges are not true—charges made by the responsible leader of the Progressive Conservative party—the situation is almost equally serious and, I submit, calls for consideration by us as members of the Senate of Canada. It is our duty to insist that the leader who says these things shall come into Parliament and confront

those whom he accuses of these grave public offences. I am satisfied that if Mr. Bracken were sitting in the House of Commons, face to face with the Prime Minister, he would have learned that there was no justification or foundation for such charges, and would have refrained from making them. The time has come when Mr. Bracken should realize that the fountain head of information on public affairs is the people's parliament.

Hon. Mr. SMITH: He has had quite an experience in parliament, and he has made good.

Hon. Mr. FARRIS: He has had quite an experience in a small parliament, a provincial legislature. He has never had any experience as the leader of a party in a national parliament, opposed to a man of standing and experience such as the Prime Minister of this country.

Hon. Mr. COPP: And probably never will.

Hon. Mr. FARRIS: I think, honourable senators, that if Mr. Bracken were a member of Parliament he would soon learn—he should have learned it already—something about the principles for which the present Prime Minister's stands. Will honourable senators permit me to make this statement? It was my great privilege, as I have said once before in this House, to visit Sir Wilfrid Laurier at the time the Unionist Government was formed, and to have with him a discussion in which he told me of his ideal and his purpose in public life. He showed no interest in winning that wartime election; I think he had no idea that he would win it. He said that his life had been devoted to a mission, the unity of Canada, and that he intended to continue in that mission so long as he remained in public life. Sir Wilfrid, before his death, gave his blessing to Mackenzie King as his prospective successor to carry on this great mission. And it is my belief, honourable senators, that if one thing more than another has dominated the public life of the Prime Minister it has been the inspiration of Laurier's blessing and his own desire to promote Canadian unity. Mr. Mackenzie King has devoted his life to the cause of Canadian unity, and, with all deference to honourable senators who have interrupted me, I think he has done a mighty good job for that cause.

The next statement of Mr. Bracken's with which I disagree—of course, honourable senators will understand that I am selecting just a few instances from his speeches, to illustrate my point—was made last Friday night in the Chateau Laurier at Ottawa. Referring to the date of the election, he said:

> It rested with one whose temper is rather uncertain these days and whose moods are quite unpredictable.

How does Mr. Bracken know what the Prime Minister's temper is like? I do not accept Mr. Bracken's statement that there is anything wrong with the Prime Minister's temper. I have sat in the gallery provided for honourable senators in another place, and there, I think, I was closer to the Prime Minister than Mr. Bracken has been for some years. Therefore it seems to me that this statement is based entirely on hearsay evidence, because he was not present to know. My observation is that the Prime Minister has had his temper under good control. He is standing the strain of the greatest responsibility any Prime Minister has ever endured since Confederation. He is showing self-control. He has been patient and courteous in the face of opposition that sometimes was petty and provocative. I doubt very much that even in the lesser role of Leader of the Opposition Mr. Bracken could control his temper any better.

But let us assume for argument's sake that this hearsay evidence is correct, and that sometimes the Prime Minister does show momentary irritation under the strain of the job. I predict that were Mr. Bracken in Parliament, and could he get the full measure of what the Prime Minister is doing there, he would remain to praise rather than to scoff. I submit it did not well become Mr. Bracken, standing where he was, in a banquet hall, to refer, as he did, to Mr. King sitting where he was, in the House of Commons.

I point to you a striking contrast, which I think illustrates the point I am making. I picture to you in the late evening of last Friday the Prime Minister sitting in Parliament at the end of a long day's work dealing with serious domestic problems and the great problems of the war. If his temper was frayed it was because of the heavy burdens of a Prime Minister leading a nation in time of war. Then let us get a contrast for the purpose for which I wish to use it. We have Mr. Bracken speaking in the banquet room of a luxury hotel amid the plaudits of his friends in a sheltered and carefree position, consulting the faithful, with no parliamentary responsibilities and confronted by none of his opponents. I do not think that was a fit occasion to comment on the fact that the Prime Minister of this country was sometimes showing the strain of the tremendous responsibilities which are his. Mr. Bracken's speeches are not very difficult to make in the circumstances in which he is delivering them. I am not offering criticism of his speech of the other night; of course, that is part of his

duty. But I bring it up to show the need for his present activities to be supplemented by his presence in Parliament. In his speech Mr. Bracken has assumed that Mr. King's irritation—if such there is—has been the result of Conservative headway in this country. Perhaps if Mr. Bracken were doing his share in Parliament he would realize that the real strain of office comes from the duties of a wartime Government leading a nation engaged in fighting a great war, and not from the minor worries or vexations over the activities of the Conservative party and its successes, real or imaginary.

Now let me take one or two statements in Mr. Bracken's speech with which I find myself in agreement. At the Chateau Laurier he made a very clear announcement of social and economic problems. So far as I could follow, he read from a manuscript, and he promised to deal with those problems. But you and I well know from experience that there is a great difference between promises and performances, and between reading manuscripts before a friendly gathering and the realities of government. Why, everybody is in favour of a better standard of living for the farmer and a lower cost of living for the consumer; everybody is in favour of higher wages for working men and lower cost of manufactured articles for farmers and others; everybody is in favour of reduction in taxation and greater expenditures for the public welfare. The whole problem is, how are these things to be accomplished? Everybody recognizes the bottle-neck—using Mr. Bracken's term—between production on the one hand and distribution and consumption on the other. But the problem is to remedy this condition. Now, where are we to find the remedy? Well, we turn to the socialist party. Its members are in the House of Commons, and they are not very backward in telling us what the remedy is. Yet we find this situation. After buoying us up with the promise that once we have socialism everything is going to work out lovely, our hopes are dashed by the solemn statement: It is going to take a long time to bring in socialism, and in the meantime you are going to have a jumble of socialism and capitalism carrying on together. A more hopeless proposition and a more depressing outlook I cannot imagine.

Then we turn to Mr. Bracken, and he says:

> We must put our best brains to work to discover how to remove the bottle-neck. We must approach the problem with minds not closed by circumstances of past environment.

There is not much comfort there, honourable senators. How do we know that Mr. Bracken possesses the best brains? My honourable friend says he made good in the provincial legislature. He may have.

Hon. B. F. SMITH: Will the honourable gentleman permit me a question? I do not like to interrupt him.

Hon. Mr. FARRIS: Certainly.

Hon. B. F. SMITH: A few moments ago the honourable gentleman intimated that he was very closely associated with the Prime Minister and his Government.

Hon. Mr. FARRIS: That I was?

Hon. B. F. SMITH: Yes.

Hon. Mr. FARRIS: I must be speaking very badly. I said I had an opportunity to observe the Prime Minister from the Senate gallery in the House of Commons.

Hon. B. F. SMITH: I think the intimation the honourable gentleman gave was quite clear and honourable senators understand it. But what I want to ask him is this: Did the Prime Minister approve of the idea of his submitting a question of this kind to this Chamber?

Hon. Mr. FARRIS: I have already stated, honourable senators, that no member of the Government, including the Prime Minister, was consulted or had the least idea of what I was going to say, or that I intended to bring this question before the Senate. I am surprised that any honourable senator should question the rights of members of this House to discuss freely and fully any public question they may see fit to bring forward—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: —without any reference to the Government of the country or to anybody else. I want to say that last session I stated in reply to my honourable friend from Montarville (Hon. Mr. Beaubien) as to whether or not the Government had been consulted on some question of procedure, that it was my opinion that the Senate was not responsible to the Government and was entirely master of its own destinies and perfectly free to discuss any matter of public policy it thought fit. I still adhere to that position.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: There is another and a stronger reason why I think Mr. Bracken should be in Parliament. He reads a manuscript. Men of some experience have said to me that it did not sound like Mr. Bracken's style. So far as I can remember I never heard Mr. Bracken speak, and I do not know whether

any manuscript he reads is his style or not, but I do know this, that it is very easy to prepare a manuscript, almost in the form of an essay, and read it. It is also very easy occasionally to get someone else to write a speech and to read it oneself.

Hon. Mr. BALLANTYNE: May I be allowed to say a word? I have been twelve years in this House and this is the first occasion when we have heard a real Simon-Pure political speech. I thought it was not permitted under the rules of the Senate. The insinuation that my honourable friend is trying to make now could not be one step lower than what we have just listened to. I was at the meeting on Friday last, and I can say that Mr. Bracken spoke fluently and eloquently for several minutes without any manuscript.

An Hon. SENATOR: That was not a question.

Hon. Mr. FARRIS: I accept my honourable friend's general statement, but not his attack on me. These statements are being freely made in the community to-day, and they point in the strongest way to the necessity for a man in Mr. Bracken's position being in Parliament, where there could be no question about these matters, where in the hurly-burly of debate in that sphere of action you would get the full measure of a man, and full appreciation of his capacity to take on these great responsibilities. I deny my honourable friend's right to say that in trying to make that clear in this Chamber I am saying anything derogatory or improper or not within the proper standards of conduct in this Senate.

Hon. Mr. QUINN: Partisanship.

Hon. Mr. FARRIS: Then there is another question that arises from this anomalous situation in the public life of this country. It is this: how far there is a real conflict between the reactionary members of the party and Mr. Bracken, who is a progressive, and whether there is going on in this country a campaign of duplicity. I have a right to inquire into that, as has any member of this House.

Hon. Mr. BALLANTYNE: Go ahead.

Hon. Mr. FARRIS: I am going ahead, with your permission, Mr. Speaker, and that of honourable senators. Mr. Bracken was not nominated by any new party in Canada. He was nominated at the Winnipeg convention, and my honourable friend opposite can tell better than I can whether he dictated the policy or platform formulated at that time.

Hon. Mr. BALLANTYNE: Certainly not.

Hon. Mr. FARRIS: My recollection is that he did dictate the new name. One is sometimes justifiably suspicious about new names. This party has had several names in the course of its history.

An Hon. SENATOR: Every election it has had one.

Hon. Mr. FARRIS: First it was the Conservative party, then the Liberal Conservative party, then the Unionist party, then the National Government party, and now it is the Progressive Conservative party.

Hon. Mr. QUINN: What has that to do with the subject under discussion?

Hon. Mr. FARRIS: It has this to do with the subject under discussion, that I have asked this question: Is there a real conflict between the reactionary members of the Conservative party and Mr. Bracken?

Hon. Mr. QUINN: The answer is, no.

Hon. Mr. FARRIS: And that there is no campaign of duplicity?

Hon. B. F. SMITH: May I ask another question? The honourable gentleman has referred to changes in the name of the Conservative party. I would ask him to be good enough to enumerate the different policies of the Liberal party since Confederation. I can count eight.

Hon. Mr. FARRIS: That shows progress on the part of the Liberal party.

Hon. Mr. QUINN: It applies to the other side as well.

Hon. Mr. FARRIS: But the Liberal party never had to camouflage its position by changing names. Here is the point I am making. The Progressive Conservative party—and I am basing this on a statement that Mr. Bracken made the other day—is a new party; it is the newest party in Canada. Well, we know that the Conservative party in Parliament is not a new party. That is no reflection on the party. I have great respect and admiration for the members of the Conservative party as such, even though I do not agree with them; but the point I am making is that if—and this answers the question, what has this to do with the discussion?—that if Mr. Bracken were in Parliament it would not take us long to know whether his party is the hyphenated Progressive Conservative party, or whether it is composed of two parties, the Bracken progressive party out in the open spaces and the Conservative party led by others in the Houses of Parliament. If there is any doubt about this apparent discrepancy between the two parties, or the statement that Mr. Bracken

does not wish to come into Parliament because his views as advocated outside do not coincide with those being advocated by his colleagues in Parliament, I would recommend to my honourable friends that they read the speech made by Mr. Bracken in the Chateau Laurier the other night, and then read the speech on the Industrial Banking Bill made by Mr. Hanson in Parliament on Tuesday night. Please do not misunderstand me. I am making no attack on what Mr. Hanson said in another place.

Hon. Mr. LEGER: I think it is very irregular to mention the name of a member of the other House.

Some Hon. SENATORS: No, no.

Hon. Mr. FARRIS: Oh, no, that is all right. I am sure of this: that ten years ago most of us in Parliament would have agreed with what Mr. Hanson said the other night. All I am saying is that honourable senators should read that speech side by side with Mr. Bracken's speech, and then ask themselves whether Mr. Bracken would not be greatly embarrassed if he sat with his colleagues in the House of Commons.

Hon. Mr. BALLANTYNE: Why do you worry about that?

Hon. Mr. FARRIS: I am not worrying about it. All I am doing is pointing it out as one of the matters of public importance. Do I understand the honourable leader opposite to suggest that because one criticizes a certain policy, or intimates that it is not in the best interest of the country, he is therefore worrying about it?

Hon. Mr. BALLANTYNE: My honourable friend is not discussing a policy; he is discussing a supposition.

Hon. Mr. FARRIS: A supposition which, I say, will become very obvious to anybody who reads Mr. Bracken's speeches in the wide open spaces and those of his colleagues in the House of Commons.

Hon. B. F. SMITH: You have made a wonderful discovery.

Hon. Mr. FARRIS: It is not a discovery; it is just an obvious fact.

Now there are some things which are not referred to in Mr. Bracken's speech that I think I might discuss, and if my honourable friends will permit me I shall endeavour to discuss them in a dispassionate manner.

First, there is the question of the centralization of power at Ottawa. Mr. Bracken made a statement about that in his speech in Quebec, and it is important in considering what his policy would be as leader of the opposition in the House of Commons. He said then:

> When I say there should be decentralization, not centralization, I mean that we should aim to secure a uniform national policy in all those fields where the national prosperity must be cultivated, but leave to the local authorities and to capital, labour and management, a large share in the work of administration.

As I recall, Mr. Bracken took a very active part in Manitoba in the Rowell-Sirois inquiry, and it is my recollection that at that time he rather emphasized the necessity of more centralization, in certain aspects, at Ottawa. I ask honourable senators, after reading the statement I have referred to, if they can really tell what his position is? I cannot make it out from that. I know that if that statement were made by him as leader of the opposition in Parliament, it would be probed to the bottom, and that Mr. Bracken would find it necessary to clear it up and not leave it as a glittering generality. That is an important matter, honourable senators. There is centralization going on here at Ottawa to-day to a serious degree.

I am gravely concerned about the centralization of authority in Ottawa. I recognize how necessary it is in war-time for a government to adopt a centralized and almost arbitrary policy, but I am disturbed as to whether or not the Government, if it is in office after the war, or any other government, will be able to resist the great forces which have been built up under this policy. To my mind it is one of the most serious things honourable members of the Senate have to consider. If you look to the C. C. F. party, there is no hope there, because their policy can only operate effectively and successfully under an increased form of centralization. Then when we turn to the Conservative party on this question of centralization of power, it is impossible to get a reflection of what their policy will be if the party is returned after the election, because the leader in the House is only the nominal leader of the party, and any statement of policy must come from the real leader himself. I have read what he has said on that. I say that if he were in Parliament the public would find out about these things.

Now a word about the war policy. I have looked through Mr. Bracken's speeches and have been unable to find that he has offered any definite statement of policy in that connection. I know there is nobody in Canada who has the war and its successful conclusion more closely at heart than Mr. Bracken, and I know that he has very good reasons for feeling as he does. But when one finds that in his public statements on these questions he does not discuss that issue, one wonders, in the

first place, whether that means that he is in accord with the present Government's methods of conducting the war or not. If he is, I think he should be in his place in Parliament to give them his support, and not be sniping at them from outside; if, on the other hand, as a matter of tactics, he is refraining from discussing that question, I think he should be headed off and should be induced to follow the best constitutional procedure.

I notice, honourable senators, that Mr. Bracken goes into the province of Quebec and tells the people there that this is a new party, the newest party in Canada. In other words, what he is saying to the people of Quebec is, "I have no past, and my future is spotless."

Some Hon. SENATORS: Oh, oh.

Hon. Mr. FARRIS: Side by side with that, as honourable senators who go back to their constituencies in the rest of Canada know, there has been for at least two years a whispering campaign against the Government—"Mackenzie King!" "Conscription!" "Quebec!" I say that is not a healthy condition, and that these things ought to be brought together, and that there should be no more opportunity for the leader of a great political party to camouflage the situation throughout the country than there is for the Prime Minister to do so in Parliament.

Honourable senators, may I conclude with this word? One of the greatest problems to be worked out after this war will be considered at the Peace Conference. The people of Canada have the full measure of the Prime Minister's capacity to function at that time. It is my opinion—I ask no other man to agree with me—that the Prime Minister is better qualified for that undertaking than any other man in Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: I am proud to say that, and in doing so I hope I am not indulging in petty politics. It is my belief about a great statesman. For all I know, Mr. Bracken may be a greater man than Mr. Mackenzie King; he may have the capacity to go to the peace table and surpass anything that Mr. Mackenzie King would do. One thing I know: if Mr. Meighen were leader of the Conservative party, his position would be in Parliament and he would have enabled the people to judge of his capacity just as well as they can judge of the capacity of the Prime Minister.

I repeat that if Mr. Bracken is a great leader the people of this country should have the opportunity of seeing him function in the highest place in which the leader of a party can function, namely, in Parliament, where he would have an opportunity to represent the people, speak for his whole party, and where he would undergo the acid test of confronting his opponents. For that reason, honourable senators, I am submitting this inquiry to your consideration. I regret that the honourable leader opposite, for whom I have always had the highest regard, has seen fit to challenge my right to make these statements. I have endeavoured to discuss this question in its constitutional aspects; I believe the statements I have made are in the public interest; and if Mr. Bracken is big enough to take his place along with Sir John Macdonald, Alexander MacKenzie, Sir Wilfrid Laurier, Sir Robert Borden, R. B. Bennett and Mackenzie King, it is my belief that he could render no greater service to his party than by taking his place in Parliament, where he could give the completest demonstration of his ability. If he has such great qualities, it is a tragedy in our public life at this time that he has not taken the place which Mr. Meighen would have taken, and where he would have demonstrated his capacity.

Some Hon. SENATORS: Hear, hear.

Hon. C. C. BALLANTYNE: Honourable senators, before I come to my real reply to the honourable senator from Vancouver South (Hon. Mr. Farris), who has spoken at great length on a subject that would have been more fittingly dealt with in another place, may I say that in the twelve years during which I have been a member of the Senate this is the first truly political campaign speech that I have heard here. I cannot help wondering how this Chamber would function if every honourable member were to make from time to time a political speech of the character of that to which we have just listened. I wish to thank him, in the name of my distinguished leader, for if Hon. John Bracken were not a man of capacity and one to be reckoned with in public affairs, my honourable friend, with all his powers and eloquence, would not have spoken in the way that he has, for well over an hour, almost entirely about Mr. Bracken. If my leader were a man of mediocre ability, his speeches would not have been the subject of so much consideration by my honourable friend.

As for myself, I have never made in this House what could be regarded as a political speech, and I do not intend to make one. The Senate of Canada would lose its prestige, it would not be performing the duty for which it was created, if it were turned into a common political forum—if we were to make here speeches that are better suited to another place

or to the hustings. We all know why the Senate was created. With all due respect for my honourable friend, I sincerely trust that the course he has inaugurated this afternoon will not be looked upon as a precedent by honourable senators on the other side or on this side, for I should not like to see this distinguished Chamber turned into a political forum, with reflections and insinuations being flung across the floor.

I have the highest respect for my honourable friend, but I deplore the speech that he has made this afternoon. This is not the occasion, nor, I repeat, the place for such a speech. I cannot understand what inspired my honourable friend to make such a vigorous attack on Hon. John Bracken. Maybe my honourable friend inwardly feels some political uneasiness, not only for himself, but for his party. I will not go into detail about that. He is in excellent health now, and may he long continue so; but I am afraid that if he makes more speeches like the one we have just heard, he will be in danger of suffering a nervous breakdown.

Nothing that my honourable friend has said this afternoon will tarnish in the slightest degree the unblemished reputation of Hon. John Bracken, who for twenty years was Prime Minister of Manitoba. I say to my honourable friend: You have not destroyed Hon. Mr. Bracken's reputation, private or public; on the contrary, you have enhanced it. I take it as a great compliment that a man of your ability considers Hon. John Bracken important enough to devote an hour and a half to him. However, I will say nothing more along this line.

I now come to our reply, stating how we view the submission that my honourable friend has made in this House. With the kind permission of honourable senators, I will read this:

> The subject matter of discussion, as introduced by the honourable senator from Vancouver South, is out of order, for the following reasons:
>
> 1. It is irregular and trivial, inasmuch as it has nothing whatever to do with the business of the Senate of Canada;
>
> 2. It is not based on facts, as the person referred to in the discussion is not and has not been chosen as leader of any opposition, but as leader of a party;
>
> 3. It is in direct contravention with what has been officially approved in another place, where the Leader of the Opposition is recognized by the Government and compensated as such;
>
> 4. Further, and more important, when the Fathers of Confederation, as set forth in the British North America Act, provided for the Senate of Canada, it was for two distinct objects: to preserve the rights of minorities, and to review legislation and veto it if necessary in the best interests of the Canadian people, and they stressed the fact that the Senate of Canada was non-partisan.
>
> We desire to go on record at once that an inquiry of this kind is not and should never have been introduced in this Chamber. This is not the place for a discussion which affects another place—and that place only—and it cannot attain any other object but to lower the prestige of the Senate of Canada. And furthermore, the question raised by this inquiry has been already raised by the Prime Minister in another place. It certainly has no place in the Senate of Canada, and we think it is most regrettable that in my honourable friend's judgment he should have seen fit to introduce the inquiry that he has, and to which he has spoken.
>
> So far as we are concerned, on this side of the House, and in view of what has already been stated, we do not propose to enter into any discussion on the inquiry nor on the remarks of my honourable friend—not that we would be unable effectively to do so, but for the reasons that we have already advanced. We therefore maintain that this sort of inquiry should have no place whatever in the Senate of Canada. And this being our attitude, as far as we are concerned on this side of the House, the discussion ends.

Hon. J. H. KING: Honourable senators, I do not propose to prolong this discussion. The latter part of my honourable friend's statement has brought me to my feet. It is stated that he and his party would not discuss here a question such as my honourable friend from Vancouver South (Hon. Mr. Farris) has dealt with, the suggestion being that to do so might lead to a political or partisan discussion in the Senate. Surely we in this House, experienced in political affairs as we are, many of us having been members of the House of Commons and of provincial legislatures, are not so sensitive as to be unable to permit an honourable member on this side or the other side to discuss a matter affecting the Parliament of Canada. And when I say the Parliament of Canada, I mean, of course, the House of Commons and the Senate.

Hon. Mr. BALLANTYNE: It was a purely political speech.

Hon. Mr. KING: It was not a political speech at all.

Hon. Mr. BALLANTYNE: Out and out.

Hon. Mr. KING: I think the honourable senator from Vancouver South avoided any political reference to my honourable friend Mr. Bracken. In my opinion, he treated Mr. Bracken very fairly.

Hon. Mr. QUINN: The speech reeked with politics.

Hon. Mr. KING: As leader on this side, I should not like to think that we were so limited here that we could not fairly discuss

the matter of the leadership of any one of our parties without exciting political controversy. It was only last year that my honourable friend the senior senator from Vancouver (Hon. Mr. McRae) stood in his place in this Chamber, in accordance with the same procedure followed by my honourable friend from Vancouver South, and said that Canada had lost confidence in the present Prime Minister. There was no great uproar over that statement. And I am surprised that my honourable friend opposite was so sensitive about the matter of which notice was given for to-day's discussion that he prepared a statement—

Hon. Mr. COPP: Not knowing what was going to be said.

Hon. Mr. KING: —a statement to controvert what he supposed would be said. I venture to say that when we read Hansard we shall find that my honourable friend from Vancouver South has made a logical argument on the constitutional procedure as to the leadership of a political party in the Parliament of Canada. I do not wish to extend my remarks.

FINANCE COMMITTEE

INCREASE OF MEMBERSHIP—MOTION

Hon. J. H. KING moved:

That Rule 78 of the Rules of the Senate be amended by striking out paragraph 17 and substituting therefor the following:

17. The Committee on Finance composed of thirty-five senators.

The motion was agreed to.

Hon. Mr. KING: Honourable senators, I would now move that the following senators be added to the list of present members of the Committee of Finance: Hon. Senators Beaubien (Montarville), Bouchard, Calder, Haig, Johnston, Lambert, Léger, Robinson, Sinclair and Vaillancourt.

The motion was agreed to.

PRIVATE BILL

SECOND READING

Hon. W. D. EULER moved the second reading of Bill E, an Act respecting Gore District Mutual Fire Insurance Company.

He said: Honourable senators, this Bill is brought forward on behalf of the Gore District Mutual Fire Insurance Company, whose head office is in the city of Galt, in the county of Waterloo, in the province of Ontario. The company was established more than one hundred years ago and to-day is unquestionably one of the soundest, most reputable and best managed insurance companies of this kind in the Dominion—something that no doubt honourable senators naturally would expect from an institution that has its headquarters in the county of Waterloo.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. EULER: In 1937 the company was incorporated under Dominion charter. The company now seeks to enlarge its powers and activities by obtaining authority to make insurance contracts with regard to the following additional lines: forgery, impact by vehicle, live stock, machinery, marine insurance, real property, smoke damage and water damage. This is practically the sole purpose of the Bill.

There is one other slight change. Under the present charter the company must have a surplus of at least half a million dollars before it can write insurance. It is now proposed to raise that sum to $600,000. The company has at the present time a surplus of nearly two and a half million dollars and it has on deposit with the federal Government securities considerably in excess of the legal requirements. I think it will therefore be quite apparent to honourable members that the policyholders of this company are well protected.

The Bill has the unqualified approval of the Superintendent of Insurance.

I might add, as a matter of interest and information to the House, that this company, shortly after the outbreak of war, made a gift of $100,000 to the federal Government by way of contribution to the cost of the war. In addition to that, of course, it has made very heavy purchases of Victory bonds.

I move the second reading of the Bill.

Hon. Mr. DONNELLY: Carried.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Euler, the Bill was referred to the Standing Committee on Banking and Commerce.

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 F, an Act for the relief of Theodore Zalopany.

Bill G, an Act for the relief of Thelma Alice Warren Whittet.

Bill H, an Act for the relief of Ethel Sangster Muir.

Bill I, an Act for the relief of Kiril John Christo.

Bill J, an Act for the relief of Helaine Ethel Leopold Lax.

Bill K, an Act for the relief of Cecil Benjamain Pomeroy.

Bill L, an Act for the relief of Pinnie Rosenhek Leopold.

Bill M, an Act for the relief of Paul Sansom White.

Bill N, an Act for the relief of Mary Hope Beers Ross.

Bill O, an Act for the relief of Wasyl Usypchuk, otherwise known as William Usypchuk.

Bill P, an Act for the relief of Walter Stanley Spencer.

Bill Q, an Act for the relief of Emma Gertrude Groves Morris.

Bill R, an Act for the relief of Gertrude Margaret Amy Ogivlie.

Bill S, an Act for the relief of Myrtle Josephine Teel Odell.

Bill T, an Act for the relief of Marjorie Helen Parker Leduc.

Bill U, an Act for the relief of Margaret Derry Kirby.

Bill V, an Act for the relief of George Thomas Bragger.

Bill W, an Act for the relief of Freda Watson Norman Daniels.

Bill X, an Act for the relief of Iris Mabel Dash Wilkinson.

Bill Y, an Act for the relief of Joseph Ulric Edouard Burns.

Bill Z, an Act for the relief of Thomas Henry Dwyer.

Bill A2, an Act for the relief of Elsie Margaret Ormandy Henderson.

Bill B2, an Act for the relief of Arthur Charles Duffy.

Bill C2, an Act for the relief of Kathleen Edna Ellis Wainwright.

Bill D2, an Act for the relief of Diana Lenore Carsley Tenenhouse.

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

THE SENATE

Friday, March 10, 1944.

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

Prayers and routine proceedings.

HYDRO-ELECTRIC DEVELOPMENT IN NEW BRUNSWICK

MOTION

Hon. C. W. ROBINSON moved:

That in the opinion of the Senate it is desirable that the Dominion Government should cause a thorough investigation to be made by a firm of eminent hydro-electric engineers into the possibilities of developing tidal power at the confluence of the Petitcodiac and Memramcook rivers in the province of New Brunswick.

He said: Honourable senators, the matter referred to in this motion is one that I desire to bring to the attention of not only the Senate, but of the other House and of the Government. This is an age of electricity, and the success or progress of almost every community now depends very largely upon the electricity it has available at a reasonable rate. Dealing more particularly with the province of New Brunswick, I may say that our water powers have been developed as far as possible. On the Saint John river there is a fair amount of power, but there are no storage facilities. The Nepisiquit river also has a fair amount of power, but here again there are no storage facilities, and the flow is not controllable. There is a coal-generated electric development in the Grand Lake district, but the reserves of coal are not inexhaustible. Prince Edward Island has very little water power development. Nova Scotia has developed water power to a considerable extent. The amount of water power per capita developed in Ontario is very much greater than anything possible in the Maritime provinces, unless we can develop something along this line; otherwise we are hopelessly handicapped. The provinces of Quebec, Manitoba, and British Columbia also have an abundance of water power.

Very encouraging reports have been made by engineers who have studied the possibilities in the Maritime provinces of generating electricity by tidal power. Such undertakings would be of great magnitude: development of about 400,000 horse-power would require an expenditure of from $20,000,000 to $40,000 000.

We have had Mr. Turnbull, a local engineer, working on a proposed tidal power development at the confluence of the Petitcodiac and Memramcook rivers. He has been very successful as a designer of airplane engines, and I believe he is a good engineer. He has carefully calculated the cost and thoroughly investigated the methods of developing tidal power, but he feels that, as he is not a hydro-electric engineer, it would be advisable to secure the services of an eminent firm of hydro-electric engineers in Canada in order to ascertain whether it would be worth while to go ahead with the proposed development.

I believe that at the confluence of the Petitcodiac and Memramcook rivers there is a greater potential hydro-electric tidal development than can be found anywhere else in the world. In England the possibilities of tidal

development on the Severn have been investigated, but I understand that the great expense involved has discouraged further action. The American Government has spent several million dollars on ascertaining the feasibility of a partial development of tidal power in Passamaquoddy Bay.

In all these cases the amount of potential power depends largely upon the height of the tides. In Passamaquoddy Bay the maximum high tide is a little less than half of that at the confluence of the Petitcodiac and Memramcook rivers, where there is a maximum rise of from 43 to 45 feet. In this connection we have at our disposal estimates carefully prepared by Dominion Government engineers.

In order to fully develop this tidal power it is necessary to have storage facilities so that advantage may be taken of high tides. That is the idea of having two basins. One will be full and the other will be empty, and when the tide is full, for perhaps four hours, the water of the Petitcodiac will be turned into the empty basin of the Memramcook river; then, when the tide goes down, it will empty in the natural way. There is no question of storage or rainfall. The tide comes in twice a day, and the reservoir will be filled up by the natural rise. It is a very attractive proposition.

My idea was just to open up this question and then, if possible, to get Mr. Turnbull to come to Ottawa so that we should have the advantage of the advice of an expert engineer. I have a great mass of figures, but I think it would be simply confusing the matter to give them. Mr. Turnbull has consulted Sir Philip Gibbs, and other engineers have been consulted, and the general consensus of opinion, so far as I can find out, is in favour of the development.

You can see what this development would mean to the Maritime provinces. It is centrally located, being at as central a point as you could find in the whole of the Maritimes.

Hon. Mr. ASELTINE: Where are these rivers?

Hon. Mr. ROBINSON: In New Brunswick.

Hon. Mr. ASELTINE: Where in New Brunswick?

Hon. Mr. ROBINSON: The southern part of New Brunswick, not very far from Moncton. If you take a map of the Maritime provinces you will find that this is just at the head waters of the Bay of Fundy, just about an equal distance from the tip of Cape Breton and the tip of New Brunswick; and the whole of the Maritime provinces would be within easy range for transmission.

There is a local company with a charter, but that company does not want to develop the power, and is prepared to hand over its rights at any time to a governmental body. All we are trying to do is to secure a thorough investigation of something which we believe is of very great importance to the Maritime provinces; and I firmly believe that there is a possibility here which should be inquired into. The provincial government has already offered to pay its share of the cost of the investigation. We are now trying to induce the Dominion Government to assist in the work, because this is not a provincial affair, but one which affects the whole of the Maritime provinces. The province of Prince Edward Island is greatly interested in the proposition, and we think it is of such a public nature as to justify the Dominion Government in spending at least the small amount of money required to co-operate with the province of New Brunswick in investigating the matter. The cost, according to Mr. Turnbull—and he has figured it out on the basis of six per cent—will be not over one quarter of a cent per kilowatt for the whole development.

There is another way in which the power can be developed. It can be developed as a single-basin system, by excavating a reservoir at the top of the hill. Fort Folly is just between the two rivers, and is the place where they used to get a great deal of building stone for shipment to the United States in the days when stone quarries in that vicinity were operated extensively. To make a single-basin system, the stone required for the dam would be taken from the top of the hill, which I think is about two hundred feet high. The hole where the stone was taken out would make a reservoir, into which the surplus power would pump the water, and when the tide is in the power would come down through turbines. That is the idea of the development proposed on the Severn in England. There they had to bring their water from a distance of some miles, in order to get it high enough to be of any use. But in New Brunswick we have close at hand a hill which would provide the stone for building a dam and at the same time provide a reservoir, which would give a head of 150 or 200 feet.

But that is probably not the most efficient development. From all I can learn, and the engineer probably will confirm this, the best development is the two-basin system, for although the one-basin plan would be a good deal cheaper, it would not provide the necessary power.

This is but a bare outline of the situation. I think it would be well not to conclude the discussion to-day, so I would move the adjournment of the debate.

Hon. F. D. BLACK: Honourable senators, I am sorry that I was not here when my honourable friend from Moncton (Hon. Mr. Robinson) began his address. Although he has moved adjournment of the debate, I would ask permission to make a few remarks now, by way of endorsing everything that he has said. The suggested hydro-electric development holds great potentialities for the Maritime provinces: it could supply power cheaper, as far as I know, than it is being supplied anywhere on the continent at the present time. The power in the area referred to by my honourable friend is almost inexhaustible. It would serve Prince Edward Island, all of New Brunswick and whatever part of Nova Scotia desired to use the power. All the southern shores of the Bay of Fundy—in short, at least, two-thirds of the province of Nova Scotia—would be within direct range of that power development.

There is one other important feature, which I do not think my honourable friend mentioned, namely, that in the immediate area between the Memramcook river and the Petitcodiac river, on one side, and on the opposite side of the Petitcodiac, that is the Albert county side, there are enormous salt deposits, described by engineers as some of the largest known deposits of the kind in the world. Their importance is almost incomprehensible, since salt is the basis of most of the important chemical manufactures that are so vital in the life of modern peoples, both in times of peace and times of war. The hydro power, which I understand could be developed there and sold at a profit, for one cent a kilowatt hour, could be used in the development of these salt deposits, which would then become a tremendous asset to not only the Maritime provinces, but the whole Dominion. I have very great pleasure in endorsing the remarks of the honourable senator from Moncton.

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

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed, on division:

Bill F, an Act for the relief of Theodore Zalopany.

Bill G, an Act for the relief of Thelma Alice Warren Whittet.

Bill H, an Act for the relief of Ethel Sangster Muir.

Bill I, an Act for the relief of Kiril John Christo.

Bill J, an Act for the relief of Helaine Ethel Leopold Lax.

Bill K, an Act for the relief of Cecil Benjamain Pomeroy.

Bill L, an Act for the relief of Pinnie Rosenhek Leopold.

Bill M, an Act for the relief of Paul Sansom White.

Bill N, an Act for the relief of Mary Hope Beers Ross.

Bill O, an Act for the relief of Wasyl Usypchuk, otherwise known as William Usypchuk.

Bill P, an Act for the relief of Walter Stanley Spencer.

Bill Q, an Act for the relief of Emma Gertrude Groves Morris.

Bill R, an Act for the relief of Gertrude Margaret Amy Ogivlie.

Bill S, an Act for the relief of Myrtle Josephine Teel Odell.

Bill T, an Act for the relief of Marjorie Helen Parker Leduc.

Bill U, an Act for the relief of Margaret Derry Kirby.

Bill V, an Act for the relief of George Thomas Bragger.

Bill W, an Act for the relief of Freda Watson Norman Daniels.

Bill X, an Act for the relief of Iris Mabel Dash Wilkinson.

Bill Y, an Act for the relief of Joseph Ulric Edouard Burns.

Bill Z, an Act for the relief of Thomas Henry Dwyer.

Bill A2, an Act for the relief of Elsie Margaret Ormandy Henderson.

Bill B2, an Act for the relief of Arthur Charles Duffy.

Bill C2, an Act for the relief of Kathleen Edna Ellis Wainwright.

Bill D2, an Act for the relief of Diana Lenore Carsley Tenenhouse.

PRIVATE BILL—GREAT NORTHERN RAILWAY

SECOND READING

Hon. J. W. de B. FARRIS moved the second reading of Bill B, an Act respecting Vancouver, Victoria and Eastern Railway and Navigation Company, the Nelson and Fort Sheppard Railway Company and Great Northern Railway Company.

He said: Honourable senators, this Bill is not as long as it appears to be. Its basis is an agreement between the Great Northern Railway Company and two of its subsidiaries. Both these subsidiaries are in the province of British Columbia, and the plan is that the parent company will take over from the subsidiaries and operate the railroads mentioned in the agreements. This is to be done under a 99-year lease, with provision that the parent company may acquire by purchase instead of by lease. The two apparently long agreements, schedules A and B to the Bill, are identical except as to parties, the first being between one of the subsidiaries and the parent company, and the second between the other subsidiary and the parent company; and they provide for the terms of the lease. I think the important term to point out to honourable senators at this stage is that the rental price in each instance is the annual depreciation of the railroad, as approved by the United States Interstate Commerce Commission and the Board of Transport Commissioners for Canada. In case of conflict over this matter, the decision of the Transport Board would govern.

Two other agreements are attached to the Bill, schedules C and D, one being with the Canadian National Railways and the other with the Canadian Pacific Railway. There are running rights in connection with the Canadian National and the Canadian Pacific, and the substance of these schedules is virtually a guarantee on the part of the Great Northern Railway Company that it will carry out these running rights in the same way as the respective subsidiary company had been obligated to do.

There is in the Bill one provision which I should like to read, clause 5:

> For and in respect of any of the purposes aforesaid the said Great Northern Railway Company shall have all the powers, rights, privileges and immunities and be subject to all the obligations of a railway company which is subject to the legislative authority of the Parliament of Canada.

That means in short, that the Great Northern Railway Company, in its operation of these subsidiaries, will be entirely under the jurisdiction of the Board of Transport Commissioners for Canada.

I may say that it is my intention to move, if this Bill is given second reading, that it be referred to the Railways Committee. The Bill has already been examined by Mr. Flintoft, counsel for the Canadian Pacific Railway, and by Mr. McMillan, assistant general solicitor for the Canadian National Railways; and I am authorized by Messrs. Gowling, MacTavish and Watt, local agents who are handling this measure, to say that both these gentlemen have given their approval to the Bill in its present form and to the schedules. Also, I have had a discussion with Mr. MacNeill, the Senate's Parliamentary Counsel, who tells me that he has gone over the Bill and has no criticism to make of it at present. He intends to give it further study, and if he has any comments or suggestions he will present them to the committee. It will, of course, be for the committee to say whom they wish to appear before it, but the promoters of the Bill are asking counsel for the Canadian Pacific Railway and the Canadian National Railways and representatives of the Board of Transport Commissioners to be available for attendance at the committee hearing. I take it that the Transport Board of itself could not pass upon the subject-matter of this Bill, but would have jurisdiction after the Bill is passed. I have been in conversation with the Board's solicitor, who tells me that he will be prepared to attend before the committee and give any information that he can in connection with this measure.

In these circumstances, honourable senators, I move that the Bill be given second reading. If this is agreed to, I shall then move that the Bill be referred to the Standing Committee on Railways, Telegraphs and Harbours.

Hon. Mr. BALLANTYNE: I presume the holding company controls the stock.

Hon. Mr. FARRIS: Yes, absolutely.

Hon. Mr. DAVIES: Are the shareholders of the subsidiary companies agreeable to this Bill?

Hon. Mr. FARRIS: Oh, yes. Agreements have already been entered into and executed. It may be assumed that the directors represent the wishes of the shareholders, but I am not familiar with the full details of how that approval has been obtained. I have always understood that the Great Northern Railway owns these companies out and out, but full details can be ascertained when the Bill is in committee.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Farris, the Bill was referred to the Standing Committee on Railways, Telegraphs and Harbours.

PRIVATE BILL—NEW BRUNSWICK RAILWAY

SECOND READING

Hon. C. W. ROBINSON moved the second reading of Bill D, an Act respecting the New Brunswick Railway Company.

He said: Honourable senators, this is an enabling bill. Clause 1 reads:

(1) Subject to the approval of at least two-thirds of the votes of the shareholders cast in person or by proxy at a special general meeting called for the purpose, the company may, from time to time, by by-law reduce its capital by paying off pro rata among its shareholders any paid-up capital which is in excess of its wants: provided always that the shares of the company shall not be reduced below one dollar each.

(2) No such by-law shall come into force unless and until it has been confirmed by the Governor in Council.

(3) Not less than one month prior to the making of the application for such confirmation notice thereof shall be published by the company at least once in the Canada Gazette and in a newspaper published in the city of Saint John, in the province of New Brunswick.

(4) Forthwith upon the granting of such confirmation notice thereof shall be published by the company in the Canada Gazette.

The rather interesting history of this company is contained in a brief submitted to me, which I will now read for the benefit of honourable members.

This company was incorporated in 1870 by chapter 49 of the Statutes of New Brunswick.

In 1881, by chapter 42, section 1 of the Acts of the Parliament of Canada, the work of the company was declared to be a work for the general advantage of Canada.

In 1887, by chapter 76, section 7 of the Acts of the Parliament of Canada, it was enacted that the Railway Act should apply to the company.

In 1890, by chapter 71 of the statutes of that year (53 Victoria, chapter 71), Parliament authorized the company to issue consolidated debenture stock for the purpose of consolidating its obligations and meeting its floating liabilities. Such debenture stock was to become a first charge upon and over the whole of the undertaking, railway, works, rolling stock and all other railway property of the company.

Section 8 of the 1890 statute says:—

This Act shall not apply, nor shall any charge or lien created thereby extend to any of the lands owned by the company not now or hereafter used by it for the purpose of operating its railways or the appurtenances thereto, nor shall this Act affect any present encumbrance on such lands or any part thereof or any agreement in respect of the same.

On the 1st July, 1890, the company leased and demised unto the Canadian Pacific Railway for a term of 990 years all its lines of railroad having an aggregate length of about 420 miles together with their appurtenances and all lands used for the purpose of operating the New Brunswick Railway system of the company, including all plant, rolling stock and equipment of every kind, but not including the timber lands of the New Brunswick Railway Company. These freehold timber lands were acquired as subsidy grants in the province of New Brunswick and are not used in connection with the railway. These timber lands consist of about 1,600,000 acres, of which substantial portions have now been sold.

It will thus be seen that the New Brunswick Railway Company does not operate the railway system. Since 1890 its business consists solely in managing and looking after these timber lands. It can be pointed out that apart altogether from the power of sale conferred on it by the statute of 1929 the company, under the provisions of the Railway Act, has power from time to time to sell or otherwise dispose of any lands obtained by way of subsidy or otherwise.

The Canadian Pacific Railway undertook to operate the railway system and amongst other things to pay the interest on the consolidated debenture stock issued at the request of the Canadian Pacific Railway under the statute of 1890.

The lease between the New Brunswick Railway Company and the Canadian Pacific Railway was ratified in 1891 by the Act 54-55 Victoria, chapter 74. The Canadian Pacific Railway have incorporated the New Brunswick Railway lines and assets into their own system and have the exclusive operation of the railway.

In 1929 Parliament enacted the statute 19-20 George V, chapter 71, authorizing the company to sell all its lands and property not leased to the Canadian Pacific Railway and all of its other assets.

The same Act declared that the capital stock of the company consisted of 30,000 shares, all of which had been issued and fully paid. The shares have a par value of $100 each.

In 1939 by chapter 54 of the Acts of the Parliament of Canada, the company was authorized to issue bonds to the extent of $750,000, secured on lands and properties owned by the company and not used for the purpose of operating its railways.

Under this Act the company created an issue of bonds to the extent of $750,000, but they have since been paid off and discharged.

REDUCTION OF CAPITAL

As stated in the explanatory notes attached to the draft Bill, the purpose of the Bill is to enable the company to reduce its capital by paying off pro rata to the shareholders paid up capital which is now greatly in excess of the wants of the company, owing to the fact that substantial portions of the lands belonging to the company, and not used for operating its railway or the appurtenances thereto, have been sold.

While the Railway Act permits a railway company to increase its capital stock from time to time, subject to the approval of the Governor in Council (section 78), there is no provision for reducing capital stock in excess of the wants of the company, such as is provided for by section 49 of the Dominion Companies Act. The proposed Bill adopts the relevant portions of section 49 of the Companies Act in addition to relevant provisions of section 78 of the Railway Act dealing with increases in the capital stock of a railway company. Thus the shareholders' by-law sanctioning the reduction of capital has to be approved by the Governor in Council. In practice this would mean that the Governor in Council would act on a report and recommendation of the Minister of Transport, as the New Brunswick Railway Company falls within the jurisdiction of his department.

The company, of course, would have to satisfy the Minister that they had taken care of current liabilities and had funds on hand with which to pay off their shareholders.

It may be explained that it is impossible for the company to go into voluntary liquidation and distribute its assets, owing to the existence of its 990-year lease with the Canadian Pacific Railway. Therefore it is obliged to continue in existence, and that is why we have provided that the shares of the company should not be reduced below $1 each.

If the Bill is given second reading, I shall ask that it be referred to the Standing Committee on Railways, Telegraphs and Harbours.

Hon. Mr. BALLANTYNE: I understand the company is interested entirely in its timber limits?

Hon. Mr. ROBINSON: Surely.

Hon. Mr. BALLANTYNE: Who owns the New Brunswick Railway Company?

Hon. Mr. ROBINSON: The New Brunswick Railway Company. I do not know how many stockholders there are.

Hon. Mr. BALLANTYNE: Would it not be necessary for the stockholders to approve of this proposed reduction of capitalization?

Hon. Mr. ROBINSON: The Bill provides that there must be a special general meeting of the shareholders and approval by at least two-thirds of the votes before application can be made to the Dominion Government.

Hon. Mr. BALLANTYNE: I understand the capitalization is 30,000—

Hon. Mr. ROBINSON: —shares, each of a par value of $100; $3,000,000.

Hon. Mr. BALLANTYNE: At a special general meeting, if two-thirds of the shareholders agree, the shares can be reduced to a value of $1 each.

Hon. Mr. ROBINSON: This Bill merely authorizes the company to go ahead and call a meeting of shareholders. Then if two-thirds of the shareholders vote in favour of the proposed reduction, the company can apply to the Dominion Government.

Hon. Mr. CALDER: The company is not operating the railway?

Hon. Mr. ROBINSON: No. The company cannot go into liquidation, because it has leased its railway to the Canadian Pacific Railway for 990 years.

Hon. Mr. BALLANTYNE: Why does the company desire to reduce the par value of its shares?

Hon. Mr. ROBINSON: I think that could be explained by reference to the technicalities of the income tax. The Exchequer Court recently gave judgment to the effect that capital divided among shareholders is subject to taxation as income unless the capital stock is actually reduced.

Hon. Mr. CAMPBELL: Is there a large earned surplus undistributed?

Hon. Mr. ROBINSON: Yes. These facts can be brought out in committee.

Hon. Mr. CALDER: As explained by my honourable friend, the company now has a capitalization of $3,000,000, which it is proposed to reduce to $30,000.

Hon. Mr. MURDOCK: Thirty thousand one-dollar shares.

Hon. Mr. CALDER: Yes. I am inclined to think that both provincial and federal taxes may account for the reduction desired. No doubt the details will be carefully gone into when the Bill is before our Railway Committee. The company has had a very large property in these timberlands, which comprise over one million acres of fine timber, and that is about all the property which is left.

Hon. Mr. ROBINSON: That is all.

Hon. Mr. CALDER: And it has disposed of certain portions of that timber, but there is a remnant. The points to be considered are the relationship of the new capital stock to the value of the lands, and also the question of how this proposed reduction will affect the rights of the province, as well as those of the federal Government, in so far as taxation is concerned.

Hon. F. B. BLACK: Honourable senators, I think this is really a very simple proposition. The New Brunswick Railway Company is endeavouring to return to its stockholders the capital which they originally invested in that company. As the honourable senator from Moncton (Hon. Mr. Robinson) has explained, the province of New Brunswick has no objection. This legislation is being sought from the Dominion Parliament with the full concurrence of the stockholders and also of the province of New Brunswick. Under the Railway Act the company cannot pay off its capital stock among its stockholders without permission of Parliament, as provided by this Bill. There is no subterfuge; this is a transaction plain and above board. I am sure that when the matter comes before the committee, persons will be present who are ready and competent to explain the whole proposition.

Hon. Mr. CALDER: There is this consideration. It is quite conceivable that under the existing taxation law a great injustice is being done to this company. I know of the case of a comparatively small company in

Western Canada which, owing to its large capitalization, was very heavily and, in a sense, improperly taxed. Consequently it had its capital reduced for the purpose of avoiding what was an extreme hardship. Such a condition may exist here. I do not know.

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

The Senate adjourned until Tuesday, March 21, at 8 p.m.

THE SENATE

Tuesday, March 21, 1944.

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

Prayers and routine proceedings.

CANADIAN FARM LOAN BOARD

INQUIRIES DROPPED

On the notice by Hon. B. F. Smith:

That he will inquire of the Government:

1. Did John P. McIsaac, of East Florenceville, Carleton County, New Brunswick, obtain a loan from the board?

2. If so, (a) what was the date; (b) what was the amount?

3. How much money has been paid by McIsaac since obtaining this loan in (a) principal; (b) interest?

4. What has been the total amount in principal and interest received from McIsaac by the board?

5. What amount, if any, is still due the board from McIsaac?

6. What amount of money has been received by the manager of the board in New Brunswick in salary and expenses during the existence of this loan?

Hon. J. H. KING: Honourable senators, this inquiry refers to matters dealt with by the Farm Loan Board. As I think the honourable senator from Victoria-Carleton (Hon. Mr. Smith) understands, the board was constituted as an independent body, and its practice has been to treat loans as confidential, in the same manner as they are treated by banks and financial houses. I find that in reply to similar questions asked in the House of Commons successive Ministers of Finance, including Hon. Mr. Dunning, Hon. Mr. Rhodes and Right Hon. Mr. Bennett, have intimated that it was not in the public interest to give information of this character. In 1935, when Right Hon. Arthur Meighen was leading the Senate, he treated such inquiries in the same way. Therefore I would ask my honourable friend to drop this and the following inquiry.

Hon. Mr. CALDER.

The Hon. the SPEAKER: Dropped.

On the notice by Hon. B. F. Smith:

That he will inquire of the Government:

1. Did Harry or Robert Tompkins, or either of them, of Riverbank, parish of Peel, Carleton County, New Brunswick, obtain a loan on a farm from the Canadian Farm Loan Board?

2. If so, what was the date of such loan? What was the amount?

3. How much has been paid to the board by Tompkins in (a) principal, (b) interest, since obtaining said loan?

4. Does Tompkins still operate the farm on which this loan was made?

5. If not, what disposal has been made of it, and what were the terms of the transfer?

The Hon. the SPEAKER: Dropped.

CANADIAN WAR SUPPLIES

AGREEMENTS WITH THE UNITED KINGDOM, THE SOVIET UNION AND THE COMMONWEALTH OF AUSTRALIA

Hon. Mr. KING: Honourable senators, before the Orders of the Day are called, I wish to table copies of an agreement between Canada and the United Kingdom on the principles applying to the provision by Canada of Canadian war supplies to the United Kingdom under the War Appropriation (United Nations Mutual Aid) Act of Canada, 1943; also copies of an agreement between Canada and the Soviet Union, and copies of an agreement between Canada and the Commonwealth of Australia.

These documents will be of interest to honourable senators, as they set out the agreements and plans whereby war materials manufactured in Canada have been allocated to the various countries mentioned.

HYDRO-ELECTRIC DEVELOPMENT IN NEW BRUNSWICK

MOTION REFERRED TO COMMITTEE

The Senate resumed from Friday, March 10, the debate on the motion by Hon. Mr. Robinson:

That in the opinion of the Senate it is desirable that the Dominion Government should cause a thorough investigation to be made by a firm of eminent hydro-electric engineers into the possibilities of developing tidal power at the confluence of the Petitcodiac and Memramcook rivers in the province of New Brunswick.

Hon. C. W. ROBINSON: Honourable senators, I have been in communication with some men who, I think, could give interesting testimony on this matter before a committee. I have in mind Dr. Turnbull, consulting engineer, and Mr. Parsons, President of the Board of Trade of Moncton; and I believe Mr. Jones, Premier of Prince Edward Island, would also be willing to appear. My idea was to move that this resolution be referred to the

Standing Committee on Railways, Telegraphs and Harbours, on the understanding that the committee would meet when the Senate rises to-morrow, which perhaps will be about 4 o'clock in the afternoon. I feel that in committee we could have a fuller and better discussion of this subject than would be possible in this Chamber. Without making further remarks, I would move that this matter be referred to the Standing Committee on Railways, Telegraphs and Harbours.

Hon. J. H. KING: Honourable senators, I merely wish to state that if there is a reference to committee of this motion, to which the honourable senator from Moncton (Hon. Mr. Robinson) spoke so well a few days ago, the reference would not in any way commit the Dominion Government to any expenditure that might be suggested in the resolution. I think it is desirable that the gentlemen to whom my honourable friend has referred should be heard by the committee. If the committee should think it wise to make a recommendation, that could be considered at the appropriate time.

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 E2, an Act for the relief of Charlotte Muriel Wright.

Bill F2, an Act for the relief of Sarah Carmichael Hay Johnston.

Bill G2, an Act for the relief of Margaret Georgina Isabel Townsend Mansfield.

Bill H2, an Act for the relief of Pasquale Di Guglielmo.

Bill I2, an Act for the relief of Theodora B. Ostlund Fruitier.

Bill J2, an Act for the relief of Erna Warthold Langlois.

Bill K2, an Act for the relief of Ruth Steinwold Lauer.

Bill L2, an Act for the relief of George Hodgson Fisher.

Bill M2, an Act for the relief of Molly Gurevitch Gladman.

Bill N2, an Act for the relief of Goldie Anker Lazanik.

The Hon. the SPEAKER: When shall these Bills be read the second time?

Hon. Mr. ROBINSON: Next sitting.

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

THE SENATE

Wednesday, March 22, 1944.

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

Prayers and routine proceedings.

PRIVATE BILLS

THIRD READINGS

Bill D, an Act respecting the New Brunswick Railway Company.—Hon. Mr. Copp.

Bill E, an Act respecting Gore District Mutual Insurance Company.—Hon. Mr. Euler.

FIRST READINGS

Bill O2, an Act to change the name of The Discount and Loan Corporation of Canada to Personal Finance Company of Canada.—Hon. Mr. Lambert.

Bill P2, an Act respecting a certain patent application of Claude H. Peters.—Hon. Mr. Lambert.

Bill Q2, an Act respecting The Kettle Valley Railway Company.—Hon. Mr. Howard, for Hon. Mr. Farris.

Hon. Mr. FOSTER presented Bill R2, an Act to incorporate Fundy Air Lines.

He said: Honourable senators, the purpose of this Bill is to incorporate a company, whose proposed business is indicated in the title of the Bill, and certain powers are asked for in order to enable the company to conduct that business. These desired powers are no broader than would be granted in the ordinary course by Letters Patent on application to the Department of the Secretary of State. On the motion for second reading of the Bill I shall give reasons why incorporation is asked for by Act of Parliament instead of by Letters Patent. As I have already remarked, the object of the Bill is simply to incorporate the company. The Bill itself would not give power to operate. Under present conditions it would be necessary for the company, after being incorporated, to apply to the Comptroller of Civil Aviation for a licence, and also to the Board of Transport Commissioners. I shall be glad to give further explanations on the motion for second reading.

The Bill was read the first time.

ECONOMIC RECONSTRUCTION AND SOCIAL SECURITY

MOTION

Hon. ELIE BEAUREGARD moved:

That it is expedient that this House should get ready without delay to study the legislation which will be brought before it—constructive

or remedial legislation—intended to safeguard, immediately after the termination of war production, the economic life in each of the provinces of the country; and for this purpose to constitute among its members a committee of economic studies, as representative as possible, which would be empowered to investigate the normal production in each province, the standard of living, the employment capacities, the conditions of labour, the openings, and, for this purpose, to invite and hear representatives from farmers, labourers, transport companies, the industrial and commercial world concerning their preparation and their concrete projects for the post-war period.

He said: Honourable senators, in support of this motion I will submit briefly some of the reasons why, in my opinion, reconstruction and social security measures should, whenever possible, operate through the agency of the provinces, and so prevent further centralization and bureaucracy.

This House is no less concerned with reconstruction and social security legislation than is the other House, for undoubtedly such legislation is of momentous importance to and will shape the future development of this country. I may be permitted to quote the great American financier, Baruch, who said:

> The overriding criterion for a transition plan is what we do to assure that in demobilizing from war we do not cripple ourselves for peace.

This is our responsibility, and I do not think a single honourable senator desires to be relieved of it. Furthermore, I know of no body of men in the Dominion better prepared to grapple with this problem than the members of this House. We have here representatives of the nine provinces, men qualified by experience in various walks of life, many of whom for years have been connected with the administration of public affairs and others who are leaders in business and industry.

I am aware to some extent of the excellent work done by the Social Security Committee of this House, and I hope that anything I may say will not for one minute be taken as a reflection on that committee. To my mind social security is only complementary to reconstruction, which, after all, is the main task. The more we fail in reconstruction the more we must rely on social security.

The war provided a great market for all our industrial production, and Canadian industry has demonstrated its ability to deliver the goods. But until the Government can find a substitute for the war market, industry and production alike will need a lift. There is no doubt in my mind that if Canada is to remain a country of free enterprise, post-war reconstruction must be worked out in close co-operation between free enterprise and Government control, with as little Government control as possible.

I agree fully with the opinion expressed by Henry Wallace:

> The aim would be the maximum of home rule that can be maintained along with the minimum of centralized authority.

Industrial production, upon which we must base our reconstruction economy, is not evenly distributed throughout the Dominion. Under our laws the older provinces have derived great advantages not only by reason of their larger population, but because of their central location and better transportation facilities. Even so, in the older provinces there are to-day large districts thinly populated, and grants to industry will be of little help unless the people move to the larger centres in their own or in other provinces.

War production has centralized labour manpower in the large centres. Will post-war production react on this centralization, or will it enhance it? Local conditions and possibilities should be investigated so that in the expenditure of public funds on reconstruction, equality should be maintained as far as possible among the provinces and within the provinces. Toronto is not the whole of Ontario, nor Montreal the whole of Quebec. There are such areas as Northern Ontario and Eastern Quebec. Large centres with heavy industry may be helped more easily than remote sections of the country. Who can help far-away districts better than the provinces? An administration close to the people has a better chance than one farther removed to deal with local needs and to avoid discrimination. From this angle local governments in Canada are and will remain necessary. That is one reason why in any method of helping by means of public funds I favour the use of provincial facilities to the fullest extent.

I have just mentioned Toronto and Montreal. One may think that a federal order which is good for one section will be just as good for another. That is far from always being the truth. Let us take, for instance, the freezing of rents. Honourable members will recall that the freezing of rents took place in October, 1941. At that time Ontario as a whole had nicely recovered from the conditions of 1934, but Montreal was lagging behind Toronto by at least two years. In 1940 we started mass production—Toronto was still ahead—and in October, 1941, Toronto was so busy and so full of people that it was found necessary to freeze rents, and an order was passed which applied not only to Toronto but to Montreal. If I am correctly informed, in Toronto dwellings are usually rented by the month, while in Montreal they are rented by the year. So when the freezing order came

into effect in October, 1941, the rents enforced in Toronto were those of the previous month, whereas in Montreal they were those of the previous year. Montreal was already two years behind in normal recovery, a few months behind in mass war-production, and nine months behind in the matter of the rentals agreed upon in February or March of 1941. This, honourable senators, is just an instance. It does not fully prove the case, but it shows how an order that ignores local needs may well create discrimination and disorder. The rentals which are being received in Montreal to-day are the same as those of May, 1941. This may be one of the reasons for present-day conditions in Montreal, and explains why, even if the controls on construction were removed, there would be no incentive to build. This is but an instance. I go back to my main point.

At this time we may feel that private enterprise is somewhat hesitant. Private enterprise needs security: it needs security against state ownership, state competition, bureaucracy and burdensome controls. I am not at war with controls in general. We are told that some of them already have been removed. I consider controls an evil; but while the war is on, a necessary evil. When they cease to be necessary, they still will be an evil.

Control has played havoc with our liberties. During the struggle for freedom of country, the liberties of the citizen within the country —which are known as civil, personal and political liberties—have been to a large extent suspended. They will have to be returned to the citizen as soon as the superior interest of country in the struggle for freedom has come to an end; and in the drafting of a transition plan we should not forget those liberties which are the most precious inheritance of all British subjects. They were acquired through incessant vigilance and tenacity extending over centuries. They may be lost in a single day.

The common law is unwritten, but in the unending fight for liberty in the Old Country the victories of the citizen are represented by written documents, commencing with the Great Charter and continuing on down through the Franchise Bill of 1884, the Factory Act of 1891, and the co-operative and trade union Bills passed on the eve of the Great War. We may be satisfied, I think, to follow the advice of the greatest British subject of the day in this matter, the Right Honourable Winston Churchill, who says:

> We must beware of trying to build a society in which nobody counts for anything except the politicians or officials, a society where enterprise gains no reward and thrift no privileges. I say, try to build, because of all the races in the world our people would be the last to be governed by a bureaucracy. Freedom is their lifeblood.

How far shall we go with centralization, state control and public ownership? How long shall we continue to create a bureaucracy, an irresponsible administration? The main recommendations of the Sirois report are already in force. Lately we have added to the list post-war civil aviation. We contemplate adding to the Bank of Canada a commercial bank, and we shall revise the Bank Act. In what direction are we going? If legislation which receives the plaudits of the C.C.F. is considered dangerous in their hands, would it be safer in the hands of another administration? Are we not forging the instrument of our own destruction? My view is that when we are called on to study reconstruction measures, it will be time to go into reverse, and that instead of increasing centralization and bureaucracy we should resort to provincial agencies before they have lost their real usefulness. To resort to such agencies we ought to know about the conditions of industry and production in terms of provinces rather than as a whole.

I do not think, honourable members, that I need elaborate further on such obvious matters. I leave them to your best judgment. If I have some support of my point of view in this House, I would move that the motion which appears in my name be concurred in.

Some Hon. SENATORS: Hear, hear.

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

DIVORCE BILLS

SECOND READINGS

On Motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill E2, an Act for the relief of Charlotte Muriel Wright.

Bill F2, an Act for the relief of Sarah Carmichael Hay Johnston.

Bill G2, an Act for the relief of Margaret Georgina Isabel Townsend Mansfield.

Bill H2, an Act for the relief of Pasquale Di Guglielmo.

Bill I2, an Act for the relief of Theodora B. Ostlund Fruitier.

Bill J2, an Act for the relief of Edna Warthold Langlois.

Bill K2, an Act for the relief of Ruth Steinwold Lauer.

Bill L2, an Act for the relief of George Hodgson Fisher.

Bill M2, an Act for the relief of Mollie Gurevitch Gladman.

Bill N2, an Act for the relief of Goldie Anker Lazanik.

FIRST READINGS

Hon. Mr. Robinson, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill S2, an Act for the relief of Julia Menard Mills.

Bill T2, an Act for the relief of Vera Esteri Seppala Vuorimies.

Bill U2, an Act for the relief of Violet Magdalen Johnson Overall.

Bill V2, an Act for the relief of Adelard Belanger.

Bill W2, an Act for the relief of Edna Lyall Burgess Lambert.

Bill X2, an Act for the relief of Barbara Hellen Smith Dodds.

Bill Y2, an Act for the relief of Ellen Margaret Doris Sheehan Decary.

Bill Z2, an Act for the relief of Kathleen O'Raw Major.

Bill A3, an Act for the relief of Vernon Oswald Marquez.

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

THE SENATE

Thursday, March 23, 1944.

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

Prayers and routine proceedings.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed, on division:

Bill E2, an Act for the relief of Charlotte Muriel Wright.

Bill F2, an Act for the relief of Sarah Carmichael Hay Johnston.

Bill G2, an Act for the relief of Margaret Georgina Isabel Townsend Mansfield.

Bill H2, an Act for the relief of Pasquale Di Guglielmo.

Bill I2, an Act for the relief of Theodora B. Ostlund Fruitier.

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SECOND READINGS

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Bill Y2, an Act for the relief of Ellen Margaret Doris Sheehan Decary.

Bill Z2, an Act for the relief of Kathleen O'Raw Major.

Bill A3, an Act for the relief of Vernon Oswald Marquez.

DIVORCE COMMITTEE REPORTS

DISCUSSION

On the Order:

Consideration of the forty-sixth report of the Standing Committee on Divorce, to whom was referred the petition of Wilson Allan Martin, together with the evidence taken before the said committee.

Hon. Mr. ROBINSON: Honourable senators, I would move that reports 46 to 52, appearing on the Order Paper as orders Nos. 22 to 28, inclusive, be taken en bloc, and be concurred in.

Hon. JOHN T. HAIG: Honourable senators, I do not intend to delay proceedings at this stage, but I am disturbed about the large number of divorce cases that come before us. We are not a competent body to deal with them. I say this without disrespect to the committee. It is very seldom that I disagree with the decision reached by the majority of the committee; but I feel that this matter of divorce should be handled by a judge or judges, who are accustomed to hearing

evidence and reaching a decision upon it. I suggest to this House that after the Easter vacation we should really get down to cases and seriously consider what is to be done with respect to this whole problem. I am suggesting, not that we should say to the provinces of Quebec and Prince Edward Island that they should have divorce courts if they do not want them, but that we should work out some arrangement whereby the judges of the Superior Court, or the Exchequer Court, or some other body should hear divorce evidence and give a decision, which then, if necessary, could be sent to Parliament for approval. We can deal with this subject better than any other body in Canada, and I think we should take it up after the recess.

There is another matter to which I should like to refer. Several years ago a Bill was brought into this House for the purpose of changing the divorce law of Canada. Objection to such a change can come only from the provinces that now have divorce courts. I think it is the unanimous opinion of business and professional people in those provinces that some change should be made in the grounds for divorce. In Britain the law permits of divorce on grounds other than the one that is valid here, and that law has worked satisfactorily. I know that in the provinces of Manitoba and Saskatchewan cases have been brought forward which are very disturbing to the people of the country. There was one the other day in which a woman whose husband went away seventeen years ago wanted a divorce. Nothing could be done. She had been living with another man for years. If Great Britain can adopt a wider jurisdiction in these matters, I see no reason why we should not consider doing so.

Some years ago this House did pass a bill extending the grounds for divorce, but it was delayed and did not receive consideration in the House of Commons. I believe that such a man as the Chairman of our Committee (Hon. Mr. Robinson) could work out some sort of measure which, when presented to the members of the other House, would be found satisfactory. I know that certain religious bodies have objections to any broadening of the grounds for divorce. These objections are not confined to any one sect. But surely we are progressing. We must realize that the present situation is far from satisfactory. I raise this question because I think we have the time to give it consideration. I am not going to propose a committee, but I think we owe it to Canada and to ourselves to devise some better system than the present one.

No one wants to be a member of the Divorce Committee. As all who have been members know, once you are on that committee you cannot get off. I think that next year we shall have to put the new senators on it. Then, I am sure, they would be in favour of a change.

I am going to ask the Chairman of the Committee, for whom I have the greatest respect —it is a pleasure to work under him on the committee—to see whether, with his ability and experience, he cannot do something along the line of what I have proposed, and to be the leader in the crusade.

Hon. W. D. EULER: Honourable senators, as an unfortunate member of the Divorce Committee, placed there without my knowledge or consent, I should like to make one or two observations. In the first place, I want to support what has just been said by the honourable senator from Winnipeg (Hon. Mr. Haig) with regard to the Chairman (Hon. Mr. Robinson). In connection with the fact that the people of Quebec and Prince Edward Island have to apply to Parliament in order to secure relief, one important point, as I see it, is that this system is an absolute injustice to people in those two provinces who have no conscientious scruples against divorce. In being obliged to come to Ottawa and pay all the attendant travelling and hotel expenses for witnesses and lawyers, they are discriminated against as compared with the people of other provinces, which have their own local divorce courts. After all, divorce is the law of Canada. True, many of our citizens do not believe in it. That is their right; they do not apply for divorce.

It does seem to me that, in all fairness, the people of Quebec and Prince Edward Island— I will speak bluntly and say the Protestants of those provinces—should not be discriminated against as compared with the Protestants of other provinces. I presume that in the province of Ontario and the other provinces whose courts have divorce jurisdiction our Roman Catholic fellow-citizens do not seek divorces. That is quite right; that is in accordance with their belief. But the Protestants of these provinces who may want to apply for divorce are able to do so at relatively small cost. The fact that the Protestants of Quebec and Prince Edward Island have not that privilege is to my mind evidence of unfair discrimination. I have always believed that.

I agree with the honourable senator from Winnipeg further that the grounds for divorce should be somewhat broadened. Probably many people would criticize me for saying that. It seems to me that if a couple have lived together long enough to realize that there is no

chance of their ever being able to get along with each other, and if there is constant bickering or strife in the household—perhaps they even separate in order to live peaceably—the refusal of a divorce to them would lead to more immorality than the granting of a divorce would. An argument that is sometimes made against divorce is that it is contrary to the interests of the children, if any. In some cases perhaps that is a reason why divorce should not be granted. But I would suggest that children may suffer more from having to live in improper surroundings with parents who cannot get along together than from being transferred to homes blessed by happiness and contentment. I know that a certain class of our people, with whom I have no quarrel, will be opposed to this view.

I strongly endorse my honourable friend's view that some change ought to be made in the present system. For one thing, the Parliament of Canada, by its very nature, is not the proper body to deal with divorce cases. I have just come from a sitting of the Divorce Committee, where the evidence to which we listened was most unedifying. I do not suppose that we are any better than other people, but, after all, the Parliament of Canada is too dignified a body to be handling that kind of thing. It has business of greater importance than the relatively trivial one of divorce. I add this to the other and stronger reasons that I have already stated in support of my argument that divorce for people in Quebec and Prince Edward Island ought to be made available through some other channel than the Parliament of Canada.

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 B3, an Act for the relief of Wilson Allan Martin.

Bill C3, an Act for the relief of Victoria May Larkin Kirkcaldy.

Bill D3, an Act for the relief of Nellie Blinkhorn Cowie.

Bill E3, an Act for the relief of William Mace.

Bill F3, an Act for the relief of Pauline Hislop Ralph.

Bill G3, an Act for the relief of Ethel Mary Moffatt Shaw.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until Tuesday, March 28, at 8 o'clock in the evening.

The motion was agreed to.

The Senate adjourned until Tuesday, March 28, at 8 p.m.

THE SENATE

Tuesday, March 28, 1944.

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

Prayers and routine proceedings.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed, on division:

Bill S2, an Act for the relief of Julia Menard Mills.

Bill T2, an Act for the relief of Vera Esteri Seppala Vuorimies.

Bill U2, an Act for the relief of Violet Magdalen Johnson Overall.

Bill V2, an Act for the relief of Adelard Belanger.

Bill W2, an Act for the relief of Edna Lyall Burgess Lambert.

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Bill Y2, an Act for the relief of Ellen Margaret Doris Sheehan Decary.

Bill Z2, an Act for the relief of Kathleen O'Raw Major.

Bill A3, an Act for the relief of Vernon Oswald Marquez.

PRIVATE BILL

SECOND READING

Hon. NORMAN P. LAMBERT moved the second reading of Bill O2, an Act to change the name of The Discount & Loan Corporation to Personal Finance Company of Canada.

He said: Honourable senators, the purpose of this Bill, as indicated in its title, is to change the name of The Discount & Loan Corporation of Canada to Personal Finance Company of Canada. The Discount & Loan Corporation of Canada is now affiliated with companies in the United States which bear the name Personal Finance Company, and the change is asked for so that the affiliated

companies may carry on business under a similar name. I may say by way of explanation that the only Canadian money-lending company having the word "personal" in its title is the Personal Loan & Finance Company, of Fredericton, which is now in liquidation.

After the Bill has received second reading I shall move that it be referred to the Standing Committee on Banking and Commerce, where officials of the Government and the promoters of the Bill can give a full explanation.

The Hon. the SPEAKER: Honourable senators, it is moved by honourable Senator Lambert, seconded by honourable Senator Bench, that Bill O2, an Act to change the name of The Discount & Loan Corporation of Canada to Personal Finance Company of Canada be now read the second time. Is it your pleasure to adopt the motion?

Hon. Mr. MACDONALD (Richmond-West Cape Breton): No.

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

REFERRED TO COMMITTEE

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. BALLANTYNE: I understood the honourable senator to say that this Bill would be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. LAMBERT: That is my intention, and I would so move.

The motion was agreed to, and the Bill was referred to the Standing Committee on Banking and Commerce.

PRIVATE BILL

SECOND READING

Hon. NORMAN P. LAMBERT moved the second reading of Bill P2, an Act respecting a certain patent application of Claude H. Peters.

He said: Honourable senators, I intend to move, after the second reading, that this Bill be referred to the Standing Committee on Miscellaneous Private Bills. The promoters of the Bill and officers of the department concerned will appear before the committee, at the appropriate time, to give a full explanation of the object sought. That object is clearly set forth in the preamble. I should like, however, to say a few words about the measure, which was introduced because of an outstanding case of neglect and a breach of professional performance on the part of a firm of attorneys that is no longer in existence.

In April, 1939, Messrs. Striker & Striker, a firm of lawyers of St. Paul, Minnesota, sent to the Ottawa office of E. J. Fetherstonhaugh & Son, a firm of registered Canadian patent attorneys, instructions to file a patent application on behalf of Striker & Striker's client, Claude H. Peters. Those instructions were accompanied by all the necessary documents, and a cheque for the amount of the Government fee and the patent attorney's fee. On April 13, 1939, E. J. Fetherstonhaugh & Son acknowledged the papers and cheque, and said the certificate of filing of the application would be forwarded as soon as it was received from the Patent Office. The cheque was then cashed, but no steps were taken to file the application until nine months later, on January 26, 1940. In the meantime, however, on May 16, 1939, Peters' corresponding United States patent had been granted, the application for it having been filed on January 17, 1938. The result of the inaction here was that section 26, subsection 2, of the Patent Act, 1935, completely barred the issue of a Canadian patent to Peters, because the Canadian application was filed more than one year after his United States application, and after the issue of the United States patent.

On February 13, 1940, E. J. Fetherstonhaugh & Son wrote to Striker & Striker, sending a new oath for signature by Peters. The letter gave the serial number of the application, but did not give the filing date. The oath was executed and returned almost immediately. On December 4, 1940, an action was issued by the Patent Office, Canada, rejecting the application on the ground that has been mentioned. This action was sent to E. J. Fetherstonhaugh & Son, but they gave no report of it to Striker & Striker. In answer to inquiries that they made on January 6 and February 21, about the status of the application, Striker & Striker were told, in a letter of March 14, 1941, that "this case is in a pending state and we expect to be able to give you a definite report in three months' time." It was just under the three months' time that the application was abandoned, on June 4, 1941, because of failure to answer the official action within six months of its date. Striker & Striker received no further word about the application from E. J. Fetherstonhaugh & Son. On June 7, 1943, they wrote to the firm of Fetherstonhaugh & Company, successors to E. J. Fetherstonhaugh & Son, with the result that the whole situation was disclosed. The facts were put before the Commissioner of

Patents, who, after fairly protracted proceedings, issued in January of this year an order striking the name of E. J. Fetherstonhaugh & Son from the official register of atttorneys entitled to practise before the Patent Office.

It would seem, therefore, that this is a proper case for a special Act, since both the applicant and his attorneys in the United States proceeded in good faith and in the usual way to deal with a firm which, in view of its being on the official register of patent attorneys, they had every reason to expect was at least trustworthy. As honourable members will readily see, an occurrence of this sort is apt to leave an unfavourable impression of Canada on the minds of those adversely affected, and it seems to me that from the national point of view alone, whatever is necessary should be done to alleviate any incidental consequences of what appears to be at least a case of gross carelessness.

Hon. Mr. BALLANTYNE: Has any reason been given why the well-known firm of Fetherstonhaugh was stricken from the official list of patent attorneys?

Hon. Mr. LAMBERT: The firm of E. J. Fetherstonhaugh & Son was dissolved, and its place taken by the firm of Fetherstonhaugh & Company. It is, I think, pretty well known that this firm, with offices here and in Toronto, is under the ownership and control of Smart & Biggar.

Hon. Mr. CALDER: What is the real purpose of this Bill?

Hon. Mr. LAMBERT: To reinstate in the Patent Office here the original application for patent rights in Canada.

Hon. Mr. LEGER: This Bill will have the effect of amending a public Act. It seems to me that once we open the door in this way we shall find it very difficult to close it again.

Hon. Mr. McRAE: Honourable senators, I am somewhat inclined to agree with the last speaker (Hon. Mr. Leger). By this Bill it is proposed to correct a mistake in the selection of patent attorneys which brought about the unfortunate situation described by the sponsor of the Bill (Hon. Mr. Lambert). I doubt very much whether we should establish such a precedent. What has happened is too bad, but it is not a matter of major importance. Once we establish the principle of passing a private Act to correct our patent law we shall have opened a gate that we may find difficult to shut again.

Hon. Mr. LAMBERT: I do not profess to have an intimate knowledge of our patent law, and I may be wrong when I say that I cannot see that this Bill would have the effect feared by my honourable friends opposite. The purpose of the Bill is simply to correct a gross injustice which has resulted from following the procedure laid down by the Patent Act. I would suggest that the point raised by honourable senators might fittingly be discussed at greater length before the Committee on Miscellaneous Private Bills, to which, if this motion carries, I shall ask that the Bill be referred.

Hon. Mr. ASELTINE: If we give the Bill second reading, do we not adopt its principle?

Some Hon. SENATORS: No.

Hon. Mr. ASELTINE: Before the motion is proceeded with, I should like to be informed as to the nature of the patent, what section bars the granting of it, and so forth.

Hon. Mr. LAMBERT: I think I explained that under subsection 2 of section 26 of the Patent Act the application should have been filed here not later than twelve months after the American application, and before the issue of the United States patent. The patent applied for, as set forth in the original petition, has to do with an air-conditioning system.

Hon. Mr. HARDY: Honourable senators, the number of questions that have been asked would be more appropriate if the Bill were before one of our standing committees. As a rule, I quite agree with honourable senators who do not favour our taking action in patent matters; but in accordance with the opinion of my honourable friend from Vancouver (Hon. Mr. McRae) I deem it unfortunate that the applicant in this case made his application through wrong solicitors. Up to a very short time before the firm of Fetherstonhaugh & Son was removed from the official list of patent solicitors no one would have thought for a moment that an applicant for a patent would make a mistake in retaining that firm. It was one of our best known patent firms. This is evidenced by the surprise of the honourable leader on the other side (Hon. Mr. Ballantyne) in asking why the well-known firm of Fetherstonhaugh was removed from the official list. In view of the questions that have been asked, I think we should give the Bill second reading and then refer it to one of our standing committees, where we can enter into the matter in detail.

Hon. Mr. BALLANTYNE: I would respectfully suggest to the honourable senator from Ottawa (Hon. Mr. Lambert) that the reference be to the Banking and Commerce Committee, where we could have the assistance of our Law Clerk.

Hon. Mr. CALDER: That is a good suggestion. Some years ago, when I was a member of the Miscellaneous Private Bills Committee, it was very seldom that more than six or seven members attended its meetings. I fully agree with what has been said in regard to our moving very carefully in a matter of this kind, where it is important that no mistakes should be made. For this reason I think the Bill should go to one of our larger committees, I do not care which, and that there should be a good attendance.

Hon. Mr. LAMBERT: My reason for suggesting that the Bill be referred to the Miscellaneous Private Bills Committee was that I believe such subjects are usually referred to that committee. I shall be only too happy to have the Bill referred to the Banking and Commerce Committee, where it can be fully examined.

Hon. Mr. BALLANTYNE: Thank you.

Hon. Mr. KING: I would seem clear that the applicant in question, probably through neglect on the part of what was regarded as a responsible firm of solicitors, has been deprived of his rights. I think we can safely give the Bill second reading and refer it to the Banking and Commerce Committee. There we can have in attendance our Law Clerk and officials from the Patent Office, as well as those interested in the Bill.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Lambert, the Bill was referred to the Standing Committee on Banking and Commerce.

PRIVATE BILL

SECOND READING

Hon. W. E. FOSTER moved the second reading of Bill R2, an Act to incorporate Fundy Air Lines.

He said: Honourable senators, in moving the second reading of this Bill I should like to draw your attention to clause 2 of Order in Council P.C. 2200, passed in 1943, which states that the Honourable the Secretary of State, by reason of the existing war conditions, is of opinion, in which opinion the Minister of Munitions and Supply, who is charged with responsibility in connection with civil aviation, concurs, that for the period of the present war applications for the incorporation of companies having such principal object or purpose should not be granted under the Companies Act, but that applicants who desire to incorporate companies with this principal object or purpose should be advised to apply for incorporation by Act of Parliament. Hence the introduction of this Bill.

I may say that no right is sought to operate aircraft or engage in air operations. Before the company can actually operate, it must secure from the Department of Transport a licence which, speaking generally, would warrant the airworthiness of the aircraft. The company would also have to secure from the Board of Transport Commissioners a licence to operate between such points and places as may from time to time be approved by Order in Council.

I understand that there are a number of applications at present pending before the Board of Transport Commissioners, but that they cannot be dealt with until the appropriate Orders in Council have been passed. No doubt honourable members of this House read the statement made in another place by the Minister of Munitions and Supply, who has charge of all matters pertaining to air service. In the declaration of policy which he made a short time ago he said he proposed to establish an Air Transport Board. This board, as I understand from reading the text of the Minister's statement, would assume the duties now performed by the Board of Transport Commissioners so far as they relate to transportation by air. It is also proposed that this Air Transport Board should have authority to examine into the financial structure of any company seeking a licence to operate aircraft, and to examine and pass upon aircraft that any company might propose to operate.

The various clauses of this Bill deal only with the usual financial powers required, together with the authority necessary to set up the machinery to operate an air-line service, if and when a licence is secured through the present channels or those which may be brought into being under the policy declared by the Minister of Munitions and Supply.

There are several standing committees to which this Bill might be referred; but on the suggestion of the leader of the Government, with whom I have been in consultation, I propose to move, after the second reading, that the Bill be referred to the Standing Committee on Railways, Telegraphs and Harbours.

Hon. A. D. McRAE: May I ask the honourable senator what air line the company contemplates establishing under this Bill? I presume that in asking for legislation it has in mind the service it would like to develop.

While I am on my feet, may I say that there seems to be some uncertainty at the moment with respect to our air development. From what has been said elsewhere, I understand that

it is proposed to take over one of the largest companies. Personally I am in favour of individual effort by companies that will develop the country, and I would not have any particular objection to granting a charter of this kind. But I think we ought to know what the company has in mind; what territory it expects to serve. It is just possible that in authorizing a company of this sort we might be running counter to the intentions of the Government with regard to air service in Canada. I know there is no harm in passing the Bill, except that we should be putting another iron into the fire, and might be interfering in something that would have to be worked out. If the honourable senator could give us a little more information about what the company expects to do, I am sure it would help us to decide whether, having regard to the fact that the air service seems to be in a state of flux at the moment, we should pass the Bill at this time.

Hon. Mr. FOSTER: I may say in answer to the honourable senator from Vancouver that it is not the intention of the company to carry on an international service. What is in mind is a local service.

Hon. Mr. COPP: The territory will not be covered by the regular lines.

Hon. Mr. FOSTER: I cannot tell the honourable gentlemen anything further than that. Any route the company would apply for, as well as the type of aircraft, and so on, would naturally have to be approved. There is really nothing in the Bill except the incorporation of the company. The licence to operate would be obtained through the proper authority.

Did I understand my honourable friend to ask what was the Government's attitude towards this?

Hon. Mr. McRAE: No.

Hon. Mr. FOSTER: I cannot say what the attitude of the Government is towards this proposal; but certainly when the Bill comes before the standing committee we shall have no difficulty in ascertaining the attitude of the department officials.

Hon. C. C. BALLANTYNE: Honourable senators, I have just come across the following clause:

> The company may . . . carry on the business of patrolling, by means of aeroplanes, or other flying machines, wooded or other areas, whether for purposes of fire or other protection, or for purposes of observation and investigation.

As we know, Canada is at war just now. How would the Department of National Defence or the Navy or Army authorities regard this? Would they not look upon it as interference?

Hon. Mr. FOSTER: In answer to the honourable member I may say that I am not prepared to discuss clauses of the Bill on the motion for second reading. To do so would be a little premature. The clauses will be discussed either in Committee of the Whole or in a standing committee, and I shall be prepared to deal with them there.

Hon. Mr. BALLANTYNE: I was not asking my honourable friend to discuss the Bill in detail. The question I am raising is an important one in relation to the principle of the Bill.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Foster, the Bill was referred to the Standing Committee on Railways, Telegraphs and Harbours.

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 B3, an Act for the relief of Wilson Allan Martin.

Bill C3, an Act for the relief of Victoria May Larkin Kirkcaldy.

Bill D3, an Act for the relief of Nellie Blinkhorn Cowie.

Bill E3, an Act for the relief of William Mace.

Bill F3, an Act for the relief of Pauline Hislop Ralph.

Bill G3, an Act for the relief of Ethel Mary Moffatt Shaw.

HYDRO-ELECTRIC DEVELOPMENT IN NEW BRUNSWICK

CONSIDERATION OF COMMITTEE'S REPORT POSTPONED

On the Order:

Consideration of the Report of the Standing Committee on Railways, Telegraphs and Harbours, with respect to the following motion:—

That in the opinion of the Senate it is desirable that the Dominion Government should cause a thorough investigation to be made by a firm of eminent hydro-electric engineers into the possibilities of developing tidal power at the confluence of the Petitcodiac and Memramcook rivers, in the province of New Brunswick.

Hon. Mr. COPP: I move that the report, which has just been read at the Table, be now concurred in.

Hon. Mr. ROBINSON: I think there are members who want to speak on this. I know that the honourable senator from Queen's (Hon. Mr. Sinclair) wishes to say something on it. I would suggest that the order stand.

The Hon. the SPEAKER: Stand.

ECONOMIC RECONSTRUCTION AND SOCIAL SECURITY

DEBATE CONTINUED

The Senate resumed from Wednesday, March 22, the adjourned debate on the motion of Hon. Mr. Beauregard:

That it is expedient that this House should get ready without delay to study the legislation which will be brought before it—constructive or remedial legislation—intended to safeguard, immediately after the termination of war production, the economic life in each of the provinces of the country; and for this purpose to constitute among its members a committee of economic studies, as representative as possible, which would be empowered to investigate the normal production in each province, the standard of living, the employment capacities, the conditions of labour, the openings, and, for this purpose, to invite and hear representatives from farmers, labourers, transport companies, the industrial and commercial world, concerning their preparation and their concrete projects for the post-war period.

Hon. CYRILLE VAILLANCOURT (Translation): Honourable senators, those who lived through the former war, who experienced the unemployment crisis of 1930-1938, and who now witness the present happenings, are rather uneasy and look to the future with some misgivings.

The pessimists, those who never venture to undertake anything, moan over the past, weep over the present and despair of the future.

Yet there is no problem, no matter how difficult, which cannot be solved by anyone who applies himself to the task. Words are of no avail. What is needed is action, and action before it is too late. To govern is to provide for the future. Well, let us provide for to-morrow.

We have here all the necessary facilities to study post-war reconstruction and guidance problems. In the Senate we are not influenced by political considerations, we are not affected by the hazards of changing governments. We are not theorists who, in the seclusion of their offices, work out the solution of abstract problems; most of us have the advantage of meeting in our daily life representatives of all classes of society, of studying their concrete problems, their practical needs and of helping them to solve such problems. There are here representatives of all sections of Canada, who are in a position to appreciate readily the needs of every class of the population in every one of the provinces.

In my opinion a committee composed of members of the Senate would be most representative and realistic, and would be in as favourable a position to recognize and recommend the necessary solutions as a committee composed entirely of theorists.

I do not contend that those people who live in a closed world, within the four walls of their offices, always reach unreliable conclusions. No. They may evolve in their minds wonderful theories, they may put down on paper splendid programmes; but when it comes to putting such programmes into practice, to make them workable, that is quite another story.

The weakest point of all these plans lies in the fact that people in offices, as often happens, see only what goes on around them and lack close contact with reality. If a theorist has always lived in Ottawa, he can have no exact understanding of the needs experienced by the people of British Columbia, Quebec, or the central, western and eastern parts of the country.

For instance, in the province of Quebec, where families are very large, it would hardly be practical to build houses of the same size as those intended for other sections of the country. Such a policy would disregard the needs and conditions of each centre, and so would be absurd.

A few days ago our highest ranking colleague said to me: "Well, after all, how will you solve the post-war problem?" To my mind, one of the first means we should consider is the distribution of prosperity in each one of our communities. Since our country has the expanse of a continent and displays various needs, it is useless to apply but one solution to all difficulties.

Some people think that one hat of the same shape and size would suit every one. I am afraid such headgear would be too big for a number of people and too small for others. Instead of trying to fit all heads to one single model, it seems preferable to make hats of different sizes for different people. And if we wish to distribute prosperity among every community we must, since the needs differ, consider decentralization as a first means.

Why are we at war? To prevent the world from being enslaved for the benefit of the greatest centralizing force the world has ever known.

In order to overcome this evil of centralization, we have had to use the same system. That is what physicians call the homeopathic method; it consists in applying a remedy of

the same nature as the disease. It has been necessary to pursue such a course of action in order to co-ordinate all our efforts and crush the enemy.

However, what may be a necessary evil to-day would still remain an evil after the war. We should therefore eradicate it. Our men are fighting to crush this attempt at centralization and to preserve our freedom of thought, of action, of life. To-morrow, when our heroic soldiers come back from the field of battle, they should not find in their own country those very things against which they fought.

I feel that we should decentralize, that we should leave to the provinces the problems which they can solve with greater ease; for the provincial governments, being better informed of the needs of their own people, are in a better position to solve their difficulties with a greater degree of speed, efficiency and fairness; I was going to say, even with greater opportuneness.

It is all very well to speak of decentralization, you may say, but what are we to do with the very large war plants we have been erecting? Let us decentralize them. Let us distribute the machinery throughout the country. Let us pull down the structures, divide them and erect them anew in other localities. We must not forget that machines should be the servants of man, not his masters.

The post-war maintenance of centralization to the extent which may be essential at the present time would intensify the social evils that are now prevalent: overcrowding of cities, insalubrity of dwelling houses, extension of slum areas and, later, social disturbances, if nothing worse.

I have always been interested in co-operation. The co-operative system is based on decentralization; it stimulates energy, encourages private initiative, while putting into practice the principles of mutual assistance and Christian charity. The well-known promoter of our co-operative system of Caisses Populaires, Commander Alphonse Desjardins, stated in 1910: "At the present time, with the steady increase of centralization, we are on the way to social upheavals and general unemployment."

"Small labour communities in the country," he added, "are being drained of their money, which is being invested more and more frequently in large centres. In a few years the small communities and the country will have been impoverished, and money power will then necessarily attract man-power to the large cities. The cities will then become overcrowded, periods of unemployment will occur and social disturbances will be rife." Is that not what has happened? To those who blamed him for founding autonomous and independent credit unions in every centre, Mr. Desjardins replied: "So far as I am concerned, I am distributing the fertilizer and I leave it upon the soil, where it is produced, so that the soil's fertility may be maintained and increased. My wish is that money derived from the land should primarily be applied to the land and that the worker's money should serve the worker's interest. Then, if savings are used where they are first produced, prosperity will be fostered in each of the centres where that system operates; and when all those centres, those rural communities, those counties, become prosperous, large cities will also prosper."

To my mind that is most sensible. But I do not want to exaggerate. I readily admit that large plants are necessary in some localities, for I do not think it would be possible to build in the Rideau Canal a ship like the *Queen Mary* or the *Normandie*. Neither do I believe that good automobiles could be built in the shops of our country blacksmiths or mechanics, nor huge bombing planes in small foundries. However, it seems to me that it would be possible, for instance, for many of our secondary industries to manufacture bolts, plane tanks, and numerous other articles which would only need to be assembled later.

Moreover, decentralization would help agriculture, at least in my province, and a ready market would thus be provided for our farmers. And as the people who live in rural communities and small centres become better acquainted with one another, there develops among them a greater bond of smypathy, which in turn makes for greater mutual help.

Some might consider that as a Utopian idea. Yet it could be carried out, provided the authorities were willing to devise means whereby it could be done. We must at once plan for the post-war period. Our duty is clear; we are on the second battle-line, and our task is to prepare the necessary framework for winning the peace. While it is heroic to die for the Motherland, it is also noble to live for her, to serve her faithfully by preparing for the days to come a life that will be happier and fuller and free from any worry about the future. Our soldiers expect nothing less from us.

For all those reasons, I support the motion of my honourable colleague from Rougemont (Hon. Mr. Beauregard).

(Text): At the present time a great number of people are afraid of what the future may hold in store for all of us. They seem to think that complaining about the situation will in

some way bring about a solution of the problem. I personally believe that no matter how arduous the task before us may be, it can and will be solved if we are quite determined to solve it.

We here within these walls are representatives from all parts of Canada, well acquainted with the needs and problems of the various provinces. Who, then, honourable senators, is in a better position than we are to lay suitable plans for the economic and social reconstruction of our country immediately after the war? In making plans we shall avoid pitfalls experienced by many theorists, who have lost sight of the essential differences as well as the vital relations between the economic and the social.

Man has a soul as well as a body. Often the economic problem is studied without regard to its social aspect. Too much attention is given to the material organization; too little, if any at all, to its repercussion on the spiritual, on the moral, side. When no attention is given to the soul, there can be no lasting contentment, no happiness for man.

Any reconstruction of our world must begin with the individual. To-morrow's world will be better if every one of us becomes better. That is why we must give as much care to the spiritual as to the physical betterment of man. I sincerely hope that the proposed reconstruction committee will be soon set up. When it is, we shall endeavour to study efficient ways to make possible for every one to-morrow a better life, from the spiritual as well as material point of view.

We are fighting to-day against the worst centralization the world has ever known. For the time being we have centralized our forces in order to get at our enemy's throat. But after the war, when our goal is reached, we must oppose centralization, because it is contrary to liberty—that liberty of action for which we are sacrificing millions of lives.

We have a clear duty ahead of us. We are on the second line of battle, where our task is to prepare the groundwork for the post-war period. If it is glorious to die for one's country, it is no less glorious to live for one's country, to serve it faithfully in preparing for the future a life that is richer, more sociable and more secure, so that all citizens of Canada may feel that, thanks to our help, this Dominion is a country worth living in and worth dying for.

For all these reasons, I wish to second the motion of my honourable friend from Rougemont (Hon. Mr. Beauregard).

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

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

THE SENATE

Wednesday, March 29, 1944.

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

Prayers and routine proceedings.

EXTERNAL RELATIONS

REPORT OF COMMITTEE

Hon. A. D. McRAE presented the first report of the Standing Committee on External Relations, and moved concurrence therein.

He said: Honourable senators, I may say, without making any apology for the inaction of this committee, that since the outbreak of the war it has appeared that any attempt to discuss foreign relations might be embarrassing to the Government and to our war programme.

The motion was agreed to.

PRIVATE BILLS

FIRST READINGS

Bill H3, an Act to incorporate Workers Benevolent Association of Canada.—Hon. Mr. Haig.

Bill I3, an Act to incorporate the Executive Board of the Evangelical Lutheran Augustana Synod of North America.—Hon. Mr. Haig.

TECHNICAL EDUCATION EXTENSION BILL

FIRST READING

A message was received from the House of Commons with Bill 41, an Act to amend the Technical Education Act.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting of the Senate.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed, on division:

Bill B3, an Act for the relief of Wilson Allan Martin.

Bill C3, an Act for the relief of Victoria May Larkin Kirkcaldy.

Bill D3, an Act for the relief of Nellie Blinkhorn Cowie.

Bill E3, an Act for the relief of William Mace.

Bill F3, an Act for the relief of Pauline Hislop Ralph.

Bill G3, an Act for the relief of Ethel Mary Moffatt Shaw.

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill J3, an Act for the relief of Alfreda Elsie Hatch Carpenter.

Bill K3, an Act for the relief of Rachel Segal Kaparofsky.

Bill L3, an Act for the relief of Paul Lapointe.

Bill M3, an Act for the relief of Vera Grace Percy Moore.

Bill N3, an Act for the relief of Jean Fernand Georges Robitaille.

Bill O3, an Act for the relief of Marie Stella Gisele Payette MacRae.

Bill P3, an Act for the relief of Horace Henry Chapman.

Bill Q3, an Act for the relief of Florence Berger Bassin.

Bill R3, an Act for the relief of Roland Edouard Levert.

Bill S3, an Act for the relief of Alice Robert Rajotte.

PRIVATE BILL

SECOND READING

Hon. A. B. COPP, for Hon. Mr. Howard, moved the second reading of Bill Q2, an Act respecting the Kettle Valley Railway Company.

He said: Honourable senators, it is at the request of the promoter of this Bill that I am moving the second reading to-day. Personally I know nothing about the territory in question, or the railway, but a memorandum has been placed in my hands which I shall read to the Senate:

The purpose of this Bill is to authorize the Kettle Valley Railway Company to construct a line of railway from a point on its Osoyoos subdivision, at or near Haynes, thence southerly along the Okanagan River and shore of Osoyoos Lake, a distance of approximately ten miles, to a point at or near Osoyoos, all in the province of British Columbia.

The territory proposed to be served by this extension has recently been irrigated, and the planting of fruit trees in recent years will at an early date make fruit available for shipment out of this territory.

If the Bill is given second reading, I shall move that it be referred to the Standing Committee on Railways, Telegraphs and Harbours, where representatives will be present to give information and explanation in regard to the proposed railway.

I move the second reading of the Bill.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Copp, the Bill was referred to the Standing Committee on Railways, Telegraphs and Harbours.

HYDRO-ELECTRIC DEVELOPMENT IN NEW BRUNSWICK

REPORT OF COMMITTEE CONCURRED IN

Hon. Mr. COPP moved concurrence in the report of the Standing Committee on Railways, Telegraphs and Harbours, with respect to the following motion:

That in the opinion of the Senate it is desirable that the Dominion Government should cause a thorough investigation to be made by a firm of eminent hydro-electric engineers into the possibilities of developing tidal power at the confluence of the Petitocodiac and Memramcook rivers in the province of New Brunswick.

Hon. J. E. SINCLAIR: Honourable members, we all remember quite well the introduction of this matter by the honourable senator from Moncton (Hon. Mr. Robinson), after which it was referred to the committee. As many honourable members know, the committee heard evidence from an eminent engineer, Dr. Turnbull, who was quite familiar with the project, and who was supported by the President of the Board of Trade of the city of Moncton and the Premier of Prince Edward Island, both of whom were interested in seeing the tidal power developed at the confluence of the Petitcodiac and Memramcook rivers..

I may state to honourable members that, according to an estimate given by the engineer before the committee, this project when fully developed will produce in the neighbourhood of 450,000 horse-power, which would make available a great deal more power than is likely to be required in the vicinity of the development, or than there would be a market for in the immediate future.

However, this afternoon I want to say a word on behalf of the province of Prince Edward Island, and also to support the recommendation of the committee. Our people are very much interested in the proposal to develop power at this location. As honourable senators know, during the last twenty-five years the harnessing of hydro power all over

the world has gone ahead very much faster than it did at any previous time in history. In order to give you a little picture of the position in which the rural areas of the Maritimes are placed as compared with rural areas in other parts of Canada—in fact, I might say in other parts of the world—I shall quote a paragraph or two from a report of a commission appointed by the Government of Manitoba two or three years ago to investigate the possibility of extending electrical power to the rural areas of that province. This report is very comprehensive, and is most informative to those who are interested in rural electrification.

At page 65 of the report, which is entitled, "Report of Manitoba Electrification Enquiry Commission, 1942," I find this:

> According to Marquis W. Childs, about 50 per cent of the agricultural area of Sweden is electrified; but approximately 75 per cent of the farmers are supplied with central station energy. In Denmark 85 per cent of the farmers have electric power. The figure for France and Germany is about 90 per cent, and for Holland it is 98 per cent. In New Zealand energy is available to about 93 per cent of the population, the figure for strictly farm areas being only slightly lower.

In the United States, where the advance in the development of electrical energy in the past twenty-five years has been most remarkable, 10·9 per cent of the farmers were supplied with central station electricity in 1934, whereas 38·6 per cent were so supplied in 1941. To give a picture of our own situation in Canada, I shall cite the percentages of farm electrification in each of the census periods of 1931 and 1941. They are as follows:

Province	1931	1941
Prince Edward Island.....	3·5	5·4
Nova Scotia	8·3	26·0
New Brunswick	8·6	18·5
Quebec	13·2	23·3
Ontario	12·8	37·0
Manitoba	2·3	7·3
Saskatchewan	1·4	4·7
Alberta	1·7	5·4
British Columbia	21·8	35·8

The figure for Canada in 1941 was 19·8 per cent.

So that you may realize what this means, I may say that one kilowatt hour of electricity will cost, on an average, five cents; and when you apply electrical power to the many jobs around a farm to which it can be applied, you will see at once the disadvantageous position of farmers who have no electricity as compared with those who have it. That situation is really what is making our people quite anxious at this time to have cheap power made available to the rural areas. When the Conservation Commission, under Dr. Wallace, visited the Maritime Provinces within the last year or two, this question of rural electrification came up for discussion at every meeting throughout the Maritimes, and there was evidence of a general desire on the part of the rural community that electrical energy should be made available to the farmers in the Maritime area.

When you look at this question from that standpoint, you can readily understand the interest that has been aroused by the inquiry before our Committee on Railways, Telegraphs and Harbours; and it is because of this interest that I desire to say a few words today in support of the recommendation of the committee that the federal Government should take the lead in making a survey upon which a proper estimate and plans could be based in order to proceed with this proposal.

Hon. Mr. HARDY: May I ask my honourable friend if it is not quite within the jurisdiction of the provincial government to carry this out, as has been done in several of the other provinces—Ontario, for example? In asking this question I do not mean that I have not every sympathy with the province of New Brunswick.

Hon. Mr. SINCLAIR: We have not had any such project undertaken by the provincial Government in Prince Edward Island. In any event, the proposed development is an interprovincial matter. The tidal power that would be harnessed is as near as can be to the centre of the Maritime Provinces, and if hydro power were developed there it would serve New Brunswick, Nova Scotia and Prince Edward Island. The development, if left to one province, would be slow, for any one of the three provincial Governments would hesitate to assume responsibility for the undertaking. The project would call for a large capital expenditure, and in financing this it would be necessary to obtain the money at as low a rate as possible. Those interested in the scheme feel that the federal Government would be able to obtain the necessary capital funds at a lower rate than any province could. In reply to the honourable senator from Leeds (Hon. Mr. Hardy), I would say that the proposed development should be regarded as much more than a provincial matter. The service rendered would be interprovincial. You might almost call it a national scheme. This is the only potential hydro development accessible to Prince Edward Island, for in that province we have no falls or rivers large enough to provide electrical energy. If we cannot secure power from these tidal waters, our only available alternative will be the

development of power from coal, which would have to be obtained from the neighbouring province of Nova Scotia.

Another point that I wish to make is that the investigation should be proceeded with as promptly as possible. In view of the question asked by the honourable senator from Leeds, it might be wise for the provincial Governments to approach the Dominion and suggest that they get together on an investigation of the project. On that point I have no particular suggestion to make. In all fairness I must say that I have discussed this matter with waterpower engineers in the Department of Mines and Resources, and they indicate that it is impracticable to transmit electrical energy by submarine cable, except for short distances. Other engineers, whose opinion I have obtained second-hand, do not agree with this; they cite several instances of successful transmission by submarine cable within the last quarter of a century. An outstanding instance mentioned was the cable over the Victoria Nyanza watershed, in South Africa, for carrying power to the Rand mines. If it is found impracticable to carry power by submarine cable, it will become more imperative than ever to consider seriously whether the time has not arrived for constructing a tunnel under the Northumberland Strait. A tunnel would eliminate the need for a cable, and at the same time would increase the market for electrical energy. If the power were made available, it would tie in generally with the activities of the Canadian National Railways in the Maritimes, and before long would be used extensively throughout the three provinces.

Honourable senators, I do not wish to delay the House unduly. My chief purpose was to support the committee's recommendation, and to inform the Senate that the provision of electrical power at rates as low as those applying in other provinces would be a great boon to our rural population in the Maritimes.

Hon. JAMES P. McINTYRE: Honourable senators, as I come from the province of Prince Edward Island, I think I should say something in support of the committee's recommendation. The object of the proposed development on the Petitcodiac and Memramcook rivers is, as I understand it, the obtaining of cheaper power for the Maritime Provinces. I will give you a little later on the rates that we pay in different parts of Prince Edward Island, and I think you will see that these are higher than the rates in any other part of Canada. Unless cheaper power could be obtained, there would not be much use in going ahead with the proposed development.

Some years ago there was a proposal to supply Prince Edward Island with electrical power from the Pictou County Power Commission in Nova Scotia. The idea was to carry it by submarine cable from Cariboo to Wood Island, a distance of fourteen miles. But after studying the matter, Mr. Johnston, Chief Engineer for Nova Scotia, said that the proposal was an economic impossibility, because of the high proportion of power that would be wasted through the submarine cable. However, I understand that, as the honourable senator from Queen's (Hon. Mr. Sinclair) said, engineers have been successful in transmitting electrical energy over considerable distances by submarine cable in South Africa and other countries. A cable from Tormentine to Borden, or somewhere in that vicinity, would be only about nine miles long; so I take it the wastage would be negligible.

There are at least two ways of developing electrical energy: one is by coal and the other is by hydro. There is probably a third: by fuel oil. It has been stated that pulverized coal is just as cheap for this purpose as water-power. In the last few years the great improvement in steam-operated generating machinery has made it possible to develop electricity at a much cheaper rate than formerly. We are hoping to be able to get cheaper electrical power in Prince Edward Island, and we are greatly interested in the proposed development of the tidal waters of the Petitcodiac and Memramcook rivers, for in our own province there are no waterpowers or streams large enough to provide power for rural electrification.

The Maritime Electric Company of Charlottetown serves that city and the adjacent municipalities of Montague and Georgetown, but its lines do not extend to any rural section. I will give just a few figures so that honourable members may be able to compare our rates with those prevailing in other provinces.

The residential rates in the city of Charlottetown and district are as follows:

First 10 kilowatt-hours or less. $1
Next 33 kilowatt-hours..... 4·5 cents per kwh
Next 160 kilowatt-hours..... 2·5 " " "
Over 203 kilowatt-hours..... 2·0 " " "
Minimum charge $1.

The general service rates in the city of Charlottetown are:

Demand charge—$1 per kilowatt for all demands in excess of 2 kilowatts.
Plus
Energy charge:
First 100 kilowatt-hours.... 6·0 cents per kwh
Next 200 kilowatt-hours... 4·0 " " "
Over 300 kilowatt-hours... 2·5 " " "
Minimum charge—the demand charge, but not less than $1 per month.

The Maritime Electric Company's lines from Charlottetown to Montague and Georgetown run through some rural sections, but only a small proportion of the people in these sections use electricity. The company gives subscribers in these rural sections the option of purchasing power on the kilowatt-hour basis or at a flat rate. If the number of customers averages more than ten to the mile, the flat rate for consumption up to 20 kilowatt-hours is $2.40. The charge for energy used in excess of that quantity is 2.5 cents per kilowatt-hour. As the number of subscribers goes down the rate goes up. For example, where there are between 8 and 10 subscribers to the mile the monthly rate is $2.75; between 7 and 8, $3; between 6 and 7, $3.25; between 5 and 6, $3.50; between 4 and 5, $4; and between 3 and 4, $4.75.

In addition to the power plant of the Maritime Electric Company there are a few independent plants. The town of Souris generates its own power and supplies it to the citizens at a little above cost. Another plant, a small one, supplies the town of Kensington and a nearby area, but not any rural sections. There is another plant at Alberton, but it serves only a very small part of the community.

If the report on the proposed development is favourable, as I am confident it will be, the undertaking might well be a post-war rehabilitation project, for undoubtedly it would give employment to a large number of our soldiers when they return to their homes in the Maritimes.

Cheap electric power would also stimulate industrial development in our part of the Dominion. After Confederation we lost most of our industries to the central provinces, and I am certain that no honourable senator would be unfavourable to a project which would restore to the Maritime Provinces something of their one-time industrial prosperity. As might be expected, the loss of our industries was followed by loss of population. At Confederation there were between 109,000 and 110,000 people in Prince Edward Island. From that time on there was a steady decline until 1931, when, according to the census, we had a population of only 88,000; but since then there has been a slight gain, and the 1941 census showed our population at about 93,000.

I noticed recently a paragraph in the Vancouver News Weekly to the effect that a preliminary survey is to be undertaken to see whether it would be feasible to raise the level of the Columbia river and its tributaries in order to generate electric energy for the States of Washington, Oregon, Idaho and Montana and our western provinces. Of course, it would be an international undertaking. We in the eastern part of the Dominion will be only too glad to give our friends in the West the fullest co-operation, should it be decided to proceed with the proposed development. In giving wholehearted support to this motion I feel that I am expressing the sentiments of all honourable members from the Maritimes, and I take this opportunity to solicit the support of honourable members from the central and western provinces.

Undoubtedly the development of electric energy at the Petitcodiac and Memramcook rivers would mean much to the rural life of the Maritime Provinces. It would enable our women on the farms to lessen their work by means of vacuum cleaners, washing machines, churns, and other equipment, while their husbands would be able to apply electric energy to their threshing, wood-sawing and other activities of the farm.

I do not believe that any honourable member will object to the proposal to engage eminent hydro-electric engineers to make a thorough investigation into the possibilities of developing this tidal power. Should that report be favourable—and I can see no reason why it should not be—I am hopeful that we shall get the proposed development under way in the near future.

Hon. A. D. McRAE: Honourable senators, it is probably appropriate that, coming as I do from the province farthest removed from the proposed development under discussion, I should lend my endorsement to it. Your committee had a very interesting session, and most encouraging evidence was submitted. We have had a considerable development of water power in our province, and my own limited experience has been that both cost and usage are sometimes over-estimated. Cost is governed by minimum flow. If the figure as to minimum flow is accepted, and the horse-power contemplated is reduced by 50 per cent, the development, if feasible, is still commercially practicable and will pay its way.

The first point which interested me was the situation in the Maritime Provinces with regard to electric power. I quite agree that if those provinces are to share in our industrial development they must have power in large quantities. I was somewhat surprised by the rates quoted, which are not far out of line with similar rates in our western country. But the main point is that you require horse-power in tens or hundreds of thousands—in this case the potential development is some 400,000 horse-power—to take care of the development which you hope will follow. The

second point which impressed me was that this power project as a post-war development would give employment to a great number of men and require the use of large quantities of materials. In fact I think it is one of the outstanding instances that I have heard of where, after the war, the undertaking, if found to be practicable, would provide employment for a great number of men and be commercially self-supporting.

The question raised by the honourable senator from Leeds (Hon. Mr. Hardy) could, when the time comes, be arranged satisfactorily between the provinces concerned and the federal Government. Unfortunately our water powers have been developed under private control and the interest of the State has been eliminated. I am sure that many of us, in the light of experience, would have opposed that condition. One thing that, I think, the State should never divest itself of is the development of water power. It is an inexpensive development based on cost per horse-power, undertaken with Government money which, as has been pointed out by the honourable member who has just spoken, is secured at a low rate of interest. Furthermore, this natural resource runs in perpetuity, it requires few men for its operation—not many more than are necessary to guard a bridge.

I would say to the honourable senator from Leeds that the Provincial and Dominion Governments may be expected to get together if the proposed undertaking is found to be feasible. The immediate question before us is whether in our opinion it is desirable that the Dominion Government should engage a firm of eminent hydro-electric engineers to ascertain if the proposed development would be feasible and practicable. It was stated to the committee that such an investigation might require an expenditure of $50,000. That is a mere bagatelle compared with the opportunities which such an undertaking would provide for post-war employment, aside altogether from the fact that the potential electric energy is sorely needed in the Maritime Provinces. For this and other reasons I am very much in favour of the motion.

Hon. W. D. EULER: Honourable senators, I would have no serious objection to the proposed expenditure on the part of the federal Government for the purpose of making a survey of the possibilities of developing tidal power at the confluence of the Petitcodiac and Memramcook rivers, except that such en expenditure might, in my opinion, be regarded as more or less of a commitment in regard to the project itself. The proposed undertaking, as outlined by the honourable senator from Prince Edward Island (Hon. Mr. Sinclair) makes a strong appeal to the imagination, and I have every sympathy with the people of the Maritimes in their desire to obtain the benefits of low-cost electric power for domestic, manufacturing and industrial services.

Very reluctantly I may strike a more or less discordant note in dealing with the point raised by my honourable friend from Leeds (Hon. Mr. Hardy). We in the province of Ontario, as honourable senators are aware, have had a very considerable development of hydro-electric power. The same remark applies to the province of Quebec, and, to some extent, also to Manitoba and British Columbia. Those undertakings have been financed and paid for by those provinces. My honourable friend who opened the debate (Hon. Mr. Sinclair) stated that this proposed development would be interprovincial, and that this, in his opinion, would make it in some degree a federal responsibility. I must say that I do not agree with him. The proposed undertaking being interprovincial, it follows that the responsibility would be thrown on more than one province and not on the Dominion. If the undertaking would benefit the province of New Brunswick, and also the provinces of Nova Scotia and Prince Edward Island, it would become the responsibility of those three provinces. I admit that it is usually the duty of the strong to help the weak—

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. EULER: —and that maxim is relied on by those who say that, Ontario and Quebec, being financially the stronger provinces, should be willing, through federal help, to assist the weaker provinces. There is a good deal to be said in support of such a view, but the federal load is already heavy, and I think it only fair to point out that those provinces, and particularly Ontario, have expended hundreds of millions of dollars in developing the electric power that they now enjoy at reasonably low rates.

Hon. Mr. QUINN: How would my honourable friend consider the St. Lawrence waterpower development? Has not that the blessing of the federal Government?

Hon. Mr. EULER: It has not yet been undertaken, and is linked up with a national navigation scheme.

Hon. Mr. QUINN: But has it not the blessing of the federal Government?

Hon. Mr. EULER: I am glade my honourable friend has raised that point. The hydro-electric development on the Ottawa river is

an interprovincial development, and it has been undertaken at the expense of the provinces concerned, Ontario and Quebec—not the federal authority. I hold that it is essentially and inherently unfair to say that the taxpayer or the user of electrical power in the province of Ontario or the province of Quebec, who is paying for the energy he himself uses, should also help to pay the rates of the people in some other province. I assure honourable senators that I am trying not to be narrow minded. But is it not a fact that if the federal Government should go into a capital expenditure for the development of this power—I am not referring now to the cost of the survey—the people of the provinces which are paying their own way would be assisting to reduce rates in other provinces? Is that a narrow-minded position to take? I think not.

Hon. Mr. McRAE: May I ask the honourable senator a question? Is he not overlooking the post-war period, in which, having regard to the general situation and the furnishing of employment, the federal Government must take the lead?

Hon. Mr. EULER: My honourable friend is rather anticipating something that I was going to say. If this capital expenditure for the development of power can be shown to be national in its scope, and if it is to help the employment situation, there is something to be said for it. I am not going to contradict that.

My honourable friend says that if the federal Government came into the picture money could be raised and securities issued at a lower rate of interest. That is very good so long as the provinces concerned still have the responsibility of carrying the capital cost. The honourable senator from British Columbia (Hon. Mr. McRae) said this project would be self-supporting—and it should be, even if it is publicly owned. But I was going to suggest, though perhaps it is premature to do so, that if, instead of assuming the capital cost, the federal Government could be of assistance in lightening the burden, the issue of credit or a loan might meet the situation.

I want to assure my honourable friends from the Maritime Provinces that what I am saying is intended, not as a criticism, but rather as an enunciation of a principle for which there is something to be said.

Hon. Mr. BLACK: Honourable senators, I think there is some misunderstanding with regard to this matter. So far the people of the Maritime Provinces have not asked the federal Government to finance this scheme. The resolution moved by the honourable senator from Moncton (Hon. Mr. Robinson), which was discussed before the committee in a very interesting manner, requested only that the federal Government, through a competent body of engineers, thoroughly investigate the situation and decide whether the project is feasible. The resolution does not suggest that the Government should be asked to pay the total cost of anything but the initial investigation.

Hon. Mr. EULER: Certainly the honourable senators who spoke made this suggestion—

Hon. Mr. BLACK: They have intimated that they wanted help; and there is no reason why they should not do that. But before this scheme was presented to this House it was discussed by a committee with the Government of New Brunswick, and that Government is greatly interested in it. This is not a private enterprise. There is a company—and I am one of the charter members of that company —which was established thirty-five years ago with the idea of looking into the feasibilty of this development. We did not get anywhere, because the project was too big to be undertaken by a private group in that province, and at the time there did not seem to be the opportunity that there is to-day, for the development and sale of the power. Conditions have changed. Now, if the power is developed, undoubtedly there will be a great demand for it, not only in Prince Edward Island, but also in the rural sections of New Brunswick and Nova Scotia. Furthermore, the enormous mineral deposits in the immediate vicinity of the development will undoubtedly attract manufacturing plants, which will consume a considerable portion of the power.

But I am getting away from my line of thought. I have no doubt that the New Brunswick Government will be ready to share in the cost of development if the scheme proves feasible. It may be that all that will be asked of the federal Government is cheap money. It is my belief that the three Maritime Provinces will work together in the development of the power once it is demonstrated, as I believe it will be, that the undertaking is practicable. All we want is sympathetic support of the proposal that there should be a thorough investigation by competent engineers. Once that has been given, I feel confident that if the report is favourable, we in the Maritime Provinces will develop the project along proper lines and will not ask the province of Ontario to help us.

Hon. J. A. CALDER: Honourable senators, I had intended to say a word or two along the very lines of the remarks of the honourable member who has just spoken.

We have had two or three very interesting addresses in regard to development in the Maritimes, and the need, at a lower cost if possible, of further development. But we must remember what is the real point that we are discussing. The question is not the desirability of this or that or the other thing, but whether or not we should approve an expenditure of $50,000 for an investigation into the feasibility of a proposed power scheme. That is the sole question at issue. There is no question as to who shall build any plant, or what rates shall be charged, or anything of that nature at all.

This brings me to the one real point raised by the honourable senator from Leeds (Hon. Mr. Hardy) and his desk-mate from Waterloo (Hon. Mr. Euler), as to whether or not we, as members of the Senate, should approve an expenditure of $50,000. They are inclined to think this is a purely provincial matter. Much could be said in favour of their view. However, I do not myself take that view, and I would not take it in regard to any section of the Dominion. You have to regard the position of the Maritime Provinces. You cannot compare Prince Edward Island with any other province in the Dominion; neither can you compare Nova Scotia and New Brunswick with our larger provinces. They are not in the same category. If these three Maritime Provinces were united as one, with the larger population and greater wealth, a comparison could be made with Ontario, or even with British Columbia or any of the other large provinces. But that is not the position. For some reason or other the Maritime Provinces have decided not to unite, but to remain separate, and the only point we have to decide is whether or not this Chamber should approve of the federal Government aiding to the extent of $50,000 in the holding of an inquiry to learn whether or not this proposed scheme is advisable.

I take the view that the development of electrical power in these three provinces is more than a purely local question. It is something that is of advantage to Canada as a whole. The development of four hundred thousand horse-power of electrical energy in the Maritime Provinces would mean a great deal to Canada. Everything that is done by the federal Government to aid in the prosperity, growth and development of industry in any part of Canada is national in character, and not purely local.

I think I have said all that is necessary on the point to which we are addressing ourselves, and on which we shall have to vote.

Hon. FELIX P. QUINN: Honourable members, the reason I interrupted the honourable member from Waterloo (Hon. Mr. Euler) was that I had in mind the fact that a sum much greater than the amount asked for in this resolution has already been spent by the federal Government on surveys in connection with the proposed St. Lawrence river development, which is situated in the two great provinces of Canada. Surely, having this in mind, it is not beyond reason that the honourable senator from Moncton (Hon. Mr. Robinson) should ask this House to approve of a recommendation to Parliament that the paltry sum of $50,000 be expended on a survey of this proposed development in the Maritime Provinces.

Hon. Mr. EULER: Will my honourable friend permit me a comment? While the St. Lawrence development involves power, it is also a navigational project, which is a subject of national concern.

Hon. Mr. QUINN: Quite so, but probably we can leave out the transportation end of it and consider only the other development.

Hon. Mr. EULER: You would not have the one without the other.

Hon. Mr. MACDONALD (Cardigan): When you are harnessing the waters of the Bay of Fundy you are dealing with federal Government property—the tidal bore of the Bay of Fundy—not with the property of any one province.

Hon. Mr. EULER: It does not lower the waters of the Bay of Fundy.

Hon. J. H. KING: Honourable members, I think the argument of the honourable senator from Kitchener (Hon. Mr. Euler) and the honourable senator from Leeds (Hon. Mr. Hardy) would be acceptable in a debate. However, the committee which heard the evidence the other day was made up of members of this House from all parts of Canada, and I believe they were impressed with the evidence which was given. What impressed me was the unusual and potential character of the development. If the site in question had been a natural waterway entirely within the province of New Brunswick, I do not think the honourable senator from Moncton (Hon. Mr. Robinson) would have moved that the investigation be undertaken by the federal Government. During our inquiry in the committee we learned that the use of tidal waters for the development of electrical energy was very rare; in fact, that in only one other place in the world had it been attempted.

Here we have an extraordinary situation with these two rivers flowing into Shepody Bay, at the head of the Bay of Fundy, where

the tide rises and falls forty-five feet. Dr. Turnbull and others, including the members of the company which took out a charter some thirty years ago, conceived the idea that these tidal waters might be utilized for producing electrical energy. The development would require a large expenditure. Because of its unusual nature, private investors would have doubts as to whether the project was economically sound.

What is proposed is that the Dominion Government should cause a thorough investigation to be made into the possibilities of developing tidal power at the confluence of the Petitcodiac and Memramcook rivers. One of these is a navigable river, and as such would come within federal jurisdiction under the Navigable Waters' Protection Act. Some years ago the Dominion Government showed its interest in this very project by sending engineers to make borings and obtain various scientific data. So, in the light of the discussion that our committee had last week, I think we could safely suggest to the Government that an appropriation be made for further investigation.

I have intimated to some honourable members who are interested in this proposal that I think the resolution would have served the desired purpose better if it had been worded in this way:

That in the opinion of the Senate it is desirable that the Dominion Government in conjunction or consultation with the Governments of the Maritime Provinces should cause a thorough investigation to be made by a firm of eminent hydro-electric engineers into the possibilities of developing tidal power at the confluence of the Petitcodiac and Memramcook rivers in the province of New Brunswick.

I feel that if my honourable friends the mover (Hon. Mr. Copp) and seconder (Hon. Mr. Robinson) of the motion were prepared to amend it with a view to having the provinces consulted, this would lead to almost immediate co-operation. I do not intend to press the amendment. It seems likely to me that within the next few years the Dominion Government will be asked to inquire into many potential post-war development schemes all over the country. Dr. Turnbull, the engineer who appeared before our committee last week, estimated that if this Bay of Fundy scheme were proceeded with it would employ some three to four thousand people for two or three years or longer. However, the resolution does not ask the Dominion Government to be responsible for anything more than the expense of a thorough inquiry into the possibilities of the project.

Hon. Mr. ROBINSON: Honourable senators, I see no objection whatever to the suggested amendment, for I realize that if an investigation is made the three Maritime Governments will have to be consulted, more or less.

Hon. Mr. McRAE: If the proposed amendment is satisfactory to the mover of the motion (Hon. Mr. Copp), it will be so to me. But there is one point I should like to make. Consultation of the three provincial Governments would in all probability delay the beginning of the survey, which it has been estimated will take the greater part of a year.

Hon. Mr. KING: I think my honourable friend is wrong. It seems to me that consultation would have the opposite effect.

Hon. Mr. ROBINSON: Honourable senators, I do not want to have the investigation side-tracked. In bringing the matter before the Senate my desire was to show that the project had real merit. All that we are asking now is that it be thoroughly investigated. That is all Dr. Turnbull is asking. He has spent years in studying the possibilities of developing power at this site, and in addition he has invited a number of other engineers to visit the area and give their opinion. The voluminous notes and data that he has accumulated are simply amazing. So far as I can see, the possible advantages to the Maritimes through the proposed development are almost beyond imagination.

In asking the Dominion to assume the cost of an investigation, we are not seeking alms at all. I think the honourable senator from Queen's (Hon. Mr. Sinclair) was right when he said that this project is of more than provincial importance and is to some extent national in scope.

I have no objection to the suggested amendment if the honourable leader of the House (Hon. Mr. King) considers it necessary, but I should prefer that the motion be not amended.

Hon. Mr. KING: Honourable senators, I do not agree with the remarks of my honourable friend from Vancouver (Hon. Mr. McRae). The federal Government will have tremendous demands made upon it, and certainly will not be looking around for projects upon which to spend money. It would seem to me that a proposal supported by responsible people would stand a better chance of success. Surely no one would be in a better position than the provinces concerned to make representations to the federal Government on a project of this kind.

Hon. Mr. McRAE: Will honourable senators permit me to make a further brief statement? I try to look at these things in a practical

way. A conference between the federal Government and the Governments of the three Maritime provinces would undoubtedly bring up the whole question of what would happen if the project were found feasible. That discussion would undoubtedly delay the investigation. The estimated cost of the investigation is relatively so small, in view of the benefits that would accrue if the development were undertaken in the post-war years, that I think no time should be lost in beginning the investigation.

Hon. Mr. KING: I have no objection.

Hon. Mr. BALLANTYNE: May I suggest to the honourable senator from Moncton (Hon. Mr. Robinson) that the Dominion Government is not the best authority to approach? If the proposed Industrial Development Bank is established, it will have a hundred million dollars to lend to the public. Evidently the bank will be quite ready to take risks; so he should apply to it.

Hon. Mr. BLACK: Honourable senators, may I interject a word? It is not often that I fail to agree with my honourable friend from Vancouver (Hon. Mr. McRae), but I am inclined to think that the motion would be improved by the proposed amendment. I believe I am rightly informed that the Government of New Brunswick is thoroughly in accord with the steps that have been taken here. I would ask the honourable senator from Moncton (Hon. Mr. Robinson) if I am not right.

Hon. Mr. ROBINSON: That is right.

Hon. Mr. BLACK: Surely if the Government of New Brunswick were consulted, it would do everything in its power to have the investigation undertaken at the earliest possible moment.

Hon. Mr. ROBINSON: If honourable senators will excuse me for rising again, I would say there is no doubt at all in my mind that if this motion is passed the Government of New Brunswick will approach the Dominion Government, in any event. As a matter of fact, the provincial Government thought so highly of the project as to express support of it in the Speech from the Throne delivered at the opening of the Legislature this year. I would only add that it is immaterial to me whether the motion is amended or not.

Hon. Mr. HAIG: Honourable senators, I come from a province that has had quite an experience with electrical development. We have not the wealth of the province of Ontario, but our power has been produced so cheaply that we can sell it in competition with that province. Half of our power sites have been developed by the city of Winnipeg without help from anyone.

Hon. Mr. PATERSON: But you get all your water from Ontario.

Hon. Mr. HAIG: Ontario begrudges us the water and tries to dam it up, but the heavens are kind to our province and send us the necessary quantity of rain.

I am sorry that I cannot agree with the amendment proposed by the honourable leader of the House (Hon. Mr. King). In my opinion, the honourable senator from Vancouver (Hon. Mr. McRae) is right in fearing that a consultation would result in delay. I would not add any provisos to the motion. If the proposed scheme is a sound one, there will be no difficulty in financing it. Forty years ago Sir William Mackenzie, who then owned the Winnipeg Electric Railway, told his chief engineer to find on the Winnipeg river a site where 5,000 horse-power could be developed. The engineer returned and told him that he was unable to discover any site capable of producing less than 25,000 horse-power. Mackenzie ordered him to make a further search, saying, "We shall never need more than 5,000 horse-power." The engineer was at last successful in locating a site satisfactory to Mackenzie.

That power site has since been flooded out because of bigger developments lower down the river. Our province buys its power from the Winnipeg Electric Company or the city. There are two developments, one private, the other public. Power is supplied to the farmers at rates as low as those in Ontario. Last year the city of Winnipeg made a net profit of $300,000 after providing for all reserves.

A question has been raised as to the financing of the proposed project. You need have no fear on that score. At the time the city of Winnipeg built its power plant its population was only 75,000, and to-day it pays on its bond issues rates no higher than those paid by the Dominion. But one point is fundamental, make no mistake about it: we shall never get anywhere if the Dominion starts to finance provincial undertakings. This would lead us into trouble from start to finish. I am entirely in accord with the opinion that it is desirable to have a thorough investigation into the feasibility of developing this tidal power. This can best be done by eminent hydro-electric engineers engaged by the Dominion Government, which is in a far better position than the provincial or municipal authorities to secure such services. If the engineers report that the project is feasible, you will find there is enough money in the

Maritime Provinces to finance the scheme five times over, for the reason that hydro-electric development is a paying proposition, and the source of power never runs dry. If feasible, this undoubtedly would be a good scheme. I know what hydro-electric development has done for my city and province. Electricity used to cost us 10 cents a kilowatt hour; now it is so cheap that we can run our electric washers, ironers and stoves at a minimum of cost. It may interest honourable senators to know that in proportion to population Winnipeg has more electric stoves installed in residences than any other city in the world. Electrical developement is something that governments, whether Dominion, provincial or municipal can operate profitably as a public utility because the maximum of material is used with the minimum of brains.

Hon. Mr. ROBINSON: Is that the reason why the hydro-electric development is so successful in Winnipeg?

Hon. Mr. HAIG: It is equally successful in Ontario. During the last twenty years transmission losses have been cut in two, and to-day you can transmit electric energy two hundred miles with no greater loss than was formerly involved in transmitting it one hundred miles. Swedish engineers are now conducting experiments in the hope of being able to transmit electricity four times as far with no greater loss of energy than at present. That is a very important factor.

I repeat, I am entirely in accord with the motion, and I hope it will pass. But I would not amend it in any way. The Dominion Government knows there is nothing so helpful to a community as hydro-electric development. Nothing will give so much employment as an undertaking of this kind, and certainly after the war we shall need to provide the fullest volume of employment.

Hon. A. B. COPP: Honourable senators, I think I am the the only representative from the Maritime Provinces who has not taken part in this discussion, a great deal of which has been out of order. I am delighted to note that my friends from the West are so well acquainted with what we require in the Maritime Provinces. I associate myself with all that has been said in regard to the great tidal power potentialities of the Petitcodiac and Memramcook rivers. This can be considered not only as a provincial and interprovincial, but also as a national question. For instance, a great section of the Canadian National Railways between Campbellton and Halifax could be electrically operated, thus greatly facilitating railroad operation in that section.

The motion is that the committee's report be concurred in. We have heard one or two suggestions by way of amendment of the motion, but no amendment has been moved. I do not know whether my honourable friend intends to move an amendment.

Hon. Mr. ROBINSON: No.

Hon. Mr. COPP: I am delighted to know that so many honourable senators from outside the Maritime Provinces are prepared to give us their support in this matter. I agree with the honourable gentleman from Moncton (Hon. Mr. Robinson) that action is preferable to words.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. COPP: Therefore I think that if this motion is accepted we should invite the Premiers of Nova Scotia and New Brunswick to come to Ottawa and lay the matter before the Dominion Government. The Premier of Prince Edward Island has already been here and given us his support. By adopting this course we could, I believe, get action this coming summer.

Hon. J. J. DUFFUS: Honourable senators, two points appealed to me when this proposed project was under discussion in committee: first, the volume of employment which its construction would provide—for without doubt employment will be very much needed in the post-war period; and second, the new facilities that hydro-electric development would bring to the Maritime Provinces. I think that for these reasons alone the Senate would be doing a national service if it took similar action in regard to other potential hydro-electric developments.

The motion for concurrence in the committee's report was agreed to.

STANDING COMMITTEE ON FINANCE

On the Order for resuming the debate on the motion of Hon. Mr. Beauregard in respect to economic reconstruction and social security.

Hon. Mr. KING: Honourable senators, I should like this order to stand, so that the Committee on Finance may this afternoon meet officers of the Department of Finance. They are waiting to attend the committee.

The Hon. the SPEAKER: Stands.

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

THE SENATE

Thursday, March 30, 1944.

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

Prayers and routine proceedings.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Honourable Thibaudeau Rinfret, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber on Friday, March 31, at 5.45 p.m. for the purpose of giving the Royal Assent to certain Bills.

APPROPRIATION BILL No. 1

FIRST READING

A message was received from the House of Commons with Bill 53, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

The Bill was read the first time.

SECOND READING

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

Hon. J. H. KING: With the consent of the Senate, I would ask for second reading now. This is an interim supply bill for one-sixth, or $46,331,283.90, of the total civil estimates. It covers every individual item of the civil estimates as tabled in the House of Commons. It is a customary bill at this stage of the session.

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 the consent of the Senate, I would move third reading now.

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 54, 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. J. H. KING: Honourable members, with the consent of the Senate, I would ask for second reading now. This also is an interim supply bill, which has to do with war appropriations. The amount asked for is $850,000,000, being a portion of the total of $3,650,000,000 which will be asked of Parliament for the purpose of carrying on the war for the current year.

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: If there are no objections, I move third reading now.

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

EXCHEQUER COURT BILL

FIRST READING

A message was received from the House of Commons with Bill 35, an Act to amend the Exchequer Court Act.

The Bill was read the first time.

LOAN BILL, 1944

FIRST READING

A message was received from the House of Commons with Bill 38, 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.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time.

Hon. J. H. KING: With the consent of the Senate, I would move the second reading now. This Bill is one empowering the Government to borrow one billion dollars to take care of maturing obligations. I find that similar bills have come before us from time to time, namely, in 1931, 1933, 1935, 1939, 1940 and 1942. I notice that, according to a statement made in another place, these obligations fall due as follows:

April 15, 1944.....	$ 250,000,000 00
April 15, 1944.....	100,000,000 00
June 1, 1944.....	90,625,000 00
July 1, 1944.....	33,293,470 85
September 1, 1944.....	150,000,000 00
October 15, 1944.....	50,000,000 00
October 15, 1944.....	138,322,000 00
October 16, 1944.....	200,000,000 00
November 15, 1944.....	20,000,000 00
	$1,032,240,470 85

This total of $1,032,240,470.85 is somewhat more than the amount asked for, but under the last loan there is an unexpended sum of $92,000,000, which would take up the balance.

I think this Bill is well understood, and I would ask that it be given second reading now.

Hon. A. J. LEGER: Could the honourable the leader tell us for what purpose the loans now being refunded were originally made?

Hon. Mr. KING: I have no definite information as to the direct application of the payments. In April of this year loans of $250,000,000 are maturing. These, which will now be taken care of, may be loans that were made many years ago. I notice that some of these loans, short-term loans, bear interest at one per cent. The loans being paid off in July, amounting to $33,293,470, would probably be four per cent loans made before the war. There are loans at 3½ per cent, 1½ per cent, 2½ per cent and 4½ per cent. As I say, I have no information as to the immediate application of the payments, but they are applicable to maturing loans, and this Bill is required to take care of them at the dates named.

Hon. Mr. LEGER: I understand that very well, but it does not answer my question. What I want to know is if the assets for which the original loans were borrowed are still worth the amount of the loans to be refunded. Let us suppose, for instance, that one of the loans to be refunded was originally used for the construction of a bridge. What I should like to know is if that bridge is still in existence and, if so, what its condition is.

Hon. Mr. KING: I do not think it would be possible to give that information here. Part of the moneys to be appropriated under this Bill may be used for the construction of public works, but before the Government could use any of these moneys for such a purpose it would have to obtain specific authority from Parliament, in the usual way: that is, there would have to be in the estimates an item relating to the work. The moneys appropriated under this Bill will go into the Consolidated Revenue Fund, and most of them will be used for paying off maturing loans.

Hon. Mr. LEGER: I have no objection at all to the Bill, but it seems to me it would be well for this House to have the information I have requested. I know the fact that the original assets were or were not still in existence always made a good deal of difference whenever the province of New Brunswick was floating a refunding loan. If you are refunding a loan that was used to build a bridge which no longer exists, brokers are usually not so much interested in that refunding. It seems to me the same principle should apply in the federal field.

As I say, I am not objecting to the Bill at all, but I think that ordinarily it would be wise for this House to be given this information when money is desired for refunding purposes. Then we should be in a position to judge, not whether the country is really sound or not, for of course it is, but perhaps whether the original loan had been a good one. In any event, it would be interesting to have the information.

Hon. Mr. KING: I am afraid I have not made myself clear to my honourable friend. This Bill provides that the Government may raise a billion dollars "for paying or redeeming the whole or any portion of loans or obligations of Canada, and also for purchasing and withdrawing from circulation from time to time unmatured securities of Canada and for public works and general purposes." In 1942, let us say, certain sums were voted in general terms. The money so secured went into the Consolidated Revenue Fund, where it was available to pay for maturing loans and public works, but whatever portion was used for public works had to be authorized specifically by Parliament. Yet I am doubtful if the Department of Finance would show expenditures upon public works as coming from such moneys. What would be shown is the specific vote of $50,000, or whatever the amount might be, for every individual project. I do not think the information my honourable friend asks for could be given.

Hon. Mr. CALDER: As I understand it, the purpose of the Bill is not only to take care of refunding, but to provide money for new expenditures upon public works.

Hon. Mr. KING: If the Government desires to use any of the money for that purpose.

Hon. Mr. CALDER: Yes. But, as the honourable leader stated, the Government would not have authority to use any of this money without specific direction from the other House.

Hon. Mr. EULER: Except for refunding.

Hon. Mr. CALDER: Yes, except for refunding.

I do not know whether the honourable leader can enlighten me upon another point. Where does the Government expect to get one billion dollars at this time? How will it raise that amount of money? I suppose it will borrow from the banks and insurance com-

panies, by short-term loans or any other method it chooses? There is no intention that a victory loan should take care of this billion dollars, is there?

Hon. Mr. KING: A victory loan may take care of some of it. Many holders of large amounts of securities will probably re-lend to the Government. Take the $250,000,000 maturing loan as an example. No doubt a good deal of it will be taken care of by renewed loans. For paying off smaller loans the Government may use money obtained through a victory loan or in some other way. The Government does not intend to ask the public now for a billion dollars to pay for maturing securities. As I have said, many obligations will be renewed under a new contract.

Hon. Mr. BALLANTYNE: Most of them.

Hon. Mr. CALDER: No borrowing is being done in the United States or Great Britain now?

Hon. Mr. KING: No.

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.

HYDRO-ELECTRIC DEVELOPMENT IN NEW BRUNSWICK

MOTION FOR PRINTING COMMITTEE'S PROCEEDINGS

Hon. C. W. ROBINSON: Honourable senators, with leave I would move:

That authority be granted for the printing of 600 copies of proceedings before the Standing Committee on Railways, Telegraphs and Harbours on the possibilities of developing tidal power at the confluence of the Petitcodiac and Memramcook rivers in the province of New Brunswick, and that Rule 100 be suspended in so far as it relates to the said printing.

I do not know whether 600 copies will be sufficient, but that is the number stated in the written motion. If every member of each House received a copy, more than half of the six hundred would be used in that way.

Hon. Mr. BALLANTYNE: Will the honourable senator give us an estimate of the cost of the printing?

Hon. Mr. ROBINSON: I cannot do that; I am sorry that I have no idea what the amount would be. The cost would not be higher than for printing the same number of copies of anything else.

The motion was agreed to.

TECHNICAL EDUCATION EXTENSION BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 41, an Act to amend the Technical Education Act.

He said: Honourable senators will remember that under the Technical Education Act of 1919 Parliament set aside $10,000,000 to be used in conjunction and co-operation with the various provinces for facilitating the development of technical education. This Bill was amended in 1929, 1934 and 1939.

My understanding is that the various provinces have co-operated with the federal Government and utilized the grants under this legislation to advance technical education. Up to the present Manitoba has not taken full advantage of the original Act of 1919, and the purpose of this Bill is to make available to that province any unexpended appropriation for a period of five years from March 31, 1944. Section 8 of the Act now is in this form:

Any portion of the ten million dollars appropriated under the Act which may remain unexpended at the expiration of the fiscal year one thousand nine hundred and thirty-nine, whether previously carried forward or not, shall be carried forward and remain available according to its apportionments for the purposes of this Act during any one or more of the five succeeding fiscal years, and no portion of the said ten million dollars shall be paid to any province after the thirty-first day of March, one thousand nine hundred and forty-four.

Hon. Mr. EULER: How much of the money still remains under the control of the Federal Government?

Hon. Mr. BALLANTYNE: I was going to ask for that information.

Hon. Mr. HAIG: The amount is $147,000.

Hon. Mr. KING: The Act provided for a grant of $10,000,000, to be distributed among the provinces on the basis of population.

Hon. Mr. CALDER: Why did the province of Manitoba not take advantage of the original grants?

Hon. Mr. KING: A number of the provinces failed to take advantage of the legislation, and from time to time the Act was extended to permit them to do so. This was the purpose of the amending Acts of 1929, 1934 and 1939. I think to-day Manitoba is the only province that has not taken full advantage of the legislation.

Hon. Mr. CALDER: Was there any dispute between the two Governments?

Hon. Mr. KING: I do not think so.

Hon. Mr. CALDER: The province simply did not ask for any grant?

Hon. Mr. LEGER: How much has been paid to the provinces that have taken advantage of the Act? Has any report been made to Parliament as required by the Act?

Hon. Mr. MURDOCK: The majority of the provinces took up their share of the grants several years ago.

Hon. Mr. KING: I have a table showing the disposition of the grants, and later I shall place it on Hansard. There is still a balance due to Manitoba.

Hon. Mr. EULER: Is the $147,000 referred to by the honourable gentleman from Winnipeg (Hon. Mr. Haig) the amount available for Manitoba?

Hon. Mr. KING: Yes, according to this Bill.

Hon. Mr. EULER: Or is there a balance for the other provinces?

Hon. Mr. KING: I think not.

Hon. Mr. HAIG: I understand that the $147,000 still unpaid is all due to Manitoba.

Hon. Mr. KING: That is right.

Hon. Mr. HAIG: Under the Act the provinces were required to establish certain systems of technical education. Manitoba, excluding the city of Winnipeg, did not comply with the requirements. Winnipeg did comply, and received its full grant. Now there is a movement on foot to extend technical education in the province, and I understand the provincial Government intends to open four or five technical schools specializing in domestic science. This, I presume, has brought the subject to life again.

In connection with technical education, I would direct your attention to the fact that the people of Canada are not paying their teachers sufficient remuneration for the important work they are doing. Our teachers are the poorest paid of any class in the Dominion, yet they are engaged in the most vital work, that of moulding the character of our boys and girls—our future citizens. I speak from an experience of fourteen years as a member of the Winnipeg School Board, and in the interests of education, not only in our public schools, but also in our high schools and our universities. Our teachers in all these institutions are not by any means paid sufficient salaries. It was not the depression of 1930 to 1935 that gave us our troubles in Manitoba, Saskatchewan or Alberta; it was the fact that for two years we had no rain, for another year we had rust, and for two years we were plagued by grasshoppers. These troubles made it impossible for us to pay even the ridiculously low salaries which our teachers were then supposed to receive.

I am in entire accord with the view that education, being a provincial matter, should be wholly controlled by the provinces. But the Dominion owes it to its future citizens to make a contribution to public education. The federal Government makes grants for the purpose of improving our live stock, our grain, and so on, but the one vital thing it does not do is assist in improving education, especially primary education. Ninety per cent of our children never go higher than the public schools; seven per cent go to the high schools, and less than three per cent to the universities. In the present life-and-death struggle of the United Nations the education of our university students—this small percentage of our youth—is considered to be of such importance that these young men are allowed to complete their courses before becoming subject to military service. How much more important should we consider it that ninety per cent of our young people be given an adequate education! The value of a good teacher is above rubies. In my own city we pay $1,000 a year to a public school teacher. She will have about forty-five children in her class, and in five or six years their education is supposed to be completed. We find it very difficult to get male teachers at the low salaries offered. I have in mind a teacher in our province drawing only $3,000 a year, yet I am confident that were he returned to the House of Commons he would become a Cabinet Minister. He is a wonderful man and an inspiration to his pupils. I am sure most of us will readily admit that the man or woman who taught us in public school, high school, or university left on our minds an impression that has stayed with us all through life.

I know that some of our provinces are afraid that should the Dominion Government make a grant in aid of education such aid might carry with it a certain degree of control over education. I think that danger can be guarded against. We have a problem in the Dominion. A certain percentage of our people speak one language, a certain percentage another, but we can all get together on a fundamental basis once we have a high standard of education in every part of Canada. Only by education can we make this a great country. We must train our children to become good

citizens. What do we do with our youth today? Largely, our system is based on training for the profession of law, or medicine, or the church. The young people who receive such training represent but a small percentage of our population. The majority of our children must depend on the education they receive in our public schools, and here the revenue is limited. In our province and, I presume, in the other provinces, property pays for education; and property owners have the least need for assistance in the education of their children.

I speak with some feeling on this matter. When a member reaches this Chamber he is presumed to take more than an ordinary interest in the welfare of the country. He is presumed to have had experience in the public life of his community and to be willing to devote some of his energies to the service of the Dominion. I think that the Senate should investigate this question and so be able to place before the people of Canada a programme of education. I do not know what would be the best programme. I am a lawyer and therefore can speak only for my own profession. Take the young man I have referred to: in a lecture the other day he told us that in his school when the boys and girls reach Grade VI or VII they are tested as to the occupation for which they will be best qualified. I know lawyers who should be contractors, contractors who should be lawyers.—I am a lawyer—ministers who should be doctors, and doctors who should be ministers. There is at present no system whereby young men and young women can be directed along the line for which they appear to be best equipped. The provincial Government intends to open up five or six schools for classes in domestic science and similar subjects; but the project may not be successful unless the Dominion gets behind it.

Hon. Mr. ROBINSON: How about the British North America Act in regard to education?

Hon. Mr. HAIG: I agree that education is under the control of the provinces; there is no dispute about that; but if you give the provinces sufficient assistance they will establish advanced systems of education and pay their teachers adequate salaries. I hope honourable members will pardon me for again mentioning Winnipeg, but it is the only city with which I am thoroughly familiar. Our children in my city receive better training than do the children in the country districts, where one teacher has to look after forty children divided into six classes in a one-room school. Under these conditions the teacher, no matter how able, cannot give proper attention to the pupils. Besides, country teachers are paid salaries of only $500 or $600 a year, as against $1,000 a year in Winnipeg. I am stating facts.

Honourable members, I have dealt with this subject at some length because it is not often that education engages the attention of this Chamber. I plead with honourable senators to study the question. When you get back home lend a hand in support of the demand for better pay for our teachers in high schools, public schools and universities. Only the C.C.F. party has as yet become active on behalf of the teachers. The rest of us had better wake up and realize the importance of our teachers in the scheme of education. It is not a question of heading off the C.C.F. I am not afraid of the C.C.F., but I am afraid of what may happen to our country unless we progress along the lines I have indicated.

Honourable members, I am in favour of this Bill. On behalf of the province of Manitoba I wish to thank the leader opposite, and, through him, the Government, for having introduced legislation that will make available to the province the original grant in aid of technical education.

Hon. J. A. CALDER: Honourable senators, I have myself had some experience in the educational world, having spent about twenty-five years in it from the time I started as a teacher in a little country school until I became Minister of Education. The great weakness in our school system—and I am speaking not of our universities, our collegiates or our technical establishments, but of the common schools, the little rural schools—the great weakness in our entire system from one end of Canada to the other is that the teachers in those common schools are not properly equipped for the great work they have undertaken.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. CALDER: In my earlier days I was inspecting schools for about nine years, and during much of that period I walked into from 140 to 175 school districts and had great opportunities of learning the degree to which

the teachers were equipped for their important work. Of course, the real trouble lies with our people. Day after day, week after week, and month after month, for a period of years, our people hand over their children to a whiffet of a boy or girl, whom they expect to give the children the education they need. I do not know exactly what the situation is at the present time, but in days past those who undertook the work of teaching were paid anywhere from $25 to $40 a month—that is all. They were ill-equipped and badly paid. The result was that the great majority of them were looking forward to getting out of educational work as quickly as possible. That is what is wrong with our educational system in Canada. The trouble is not in the top branches, but in the lower branches; and if something could be done to see that teachers in our little common schools were better equipped and paid a salary that would hold them longer, we should get better results.

Hon. DUNCAN McL. MARSHALL: Honourable senators, I wish to take this opportunity of paying what I consider is a well deserved tribute to a former Minister of Agriculture in Canada who did more for agricultural education in the few years that he was Minister than most other men I have had anything to do with.

I remember that when Mr. Burrel was chosen for that portfolio it was said that we now had a gardener for Minister of Agriculture. But in a little while those of us who had been interested in agriculture all our lives discovered that this man had vision. He secured a vote of $10,000,000 to be divided among the different provinces pro rata for agricultural education; and that is the best single act ever performed by any Federal Minister of Agriculture during my lifetime.

When Mr. Burrell did that, he did something else. He searched the country over for a man to take charge and give direction, and he secured Dr. C. C. James. I was a boy when Dr. James, then only 22 years old, was appointed by Hon. John Dryden as a professor in the Ontario Agricultural College at Guelph. To be without farm experience was considered a crime, almost, on the part of a man who was going to teach in an agricultural college. But later on, the first time that I went into his office and saw the number and variety of plants he had grown there, I realized that he knew something about plant life and had agricultural ideas. During the time that Dr. James carried on in the province of Ontario, and afterwards in the federal field, he was the greatest agricultural educationist the Dominion of Canada had. He did an amazing work. He travelled into every province of Canada and consulted every provincial Minister of Agriculture.

As I say, money was granted to the provinces, and, as all honourable members know, the federal Government had a voice as to how it should be spent. I happened to be Minister of Agriculture in the province of Alberta at the time; so I came into close contact with the undertaking, and I want to say that the work done by the Honourable Martin Burrell through that vote, and through the inspiration that Dr. C. C. James gave in the matter of agricultural education in every province in Canada, was very remarkable. I remember going down to Prince Edward Island about that time. In that province they had a school of agriculture that was well worthy of the name, for it was doing active, practical, sensible work.

I was greatly interested in the remark of the honourable senator from Winnipeg (Hon. Mr. Haig), that probably a good deal of the money still remaining to Manitoba's credit would be spent for agricultural education. We have all noticed recently how the Prime Minister of Great Britain has stressed the importance of education now and after the war. It is my hope that in the Dominion of Canada, and in its several provinces, agricultural education will be given first place, and that something will be done along the lines of what Mr. Burrell did, because, in the direction of the work the right kind of man can do more than most of us think. As a matter of fact, even yet, in the province of Alberta, several hundred farmers' sons and daughters are profiting each year from Mr. Burrell's vote, although the money has long since been spent. They are profiting by reason of the agricultural schools that were established, one of which is the best school of agriculture in the entire Dominion of Canada.

I have hoped that on some appropriate occasion I should have the pleasure and satisfaction of paying this tribute to the honourable Martin Burrell and what he did, and I have been glad to avail myself of this opportunity.

Hon. Mr. KING: Honourable senators, as this is probably the last time this measure will come to us for extension, I should like, in order to keep the record straight, to place upon Hansard some figures in relation to the expenditure of this $10,000,000.

Statement showing disposition of funds under the Technical Education Act as at the end of November, 1943

	Amount available during period of Act	Amounts paid by federal Government as at Nov. 30, 1943	Balance
Prince Edward Island	$ 198,187 86	$ 198,187 86	.....
Nova Scotia	662,113 94	662,113 94	.....
New Brunswick	512,461 28	512,461 28	.....
Quebec	2,569,655 53	2,569,655 53	.....
Ontario	3,178,608 97	3,178,608 97	.....
Manitoba	719,746 56	572,316 14	$147,430 42
Saskatchewan	847,620 91	847,620 91	.....
Alberta	678,524 40	678,524 40	.....
British Columbia	633,080 55	633,080 55	.....
	$10,000,000 00	$9,852,569 58	$147,430 42

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

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill J3, an Act for the relief of Alfreda Elsie Hatch Carpenter.

Bill K3, an Act for the relief of Rachel Segal Kaparofsky.

Bill L3, an Act for the relief of Paul Lapointe.

Bill M3, an Act for the relief of Vera Grace Percy Moore.

Bill N3, an Act for the relief of Jean Fernand Georges Robitaille.

Bill O3, an Act for the relief of Marie Stella Gisele Payette MacRae.

Bill P3, an Act for the relief of Horace Henry Chapman.

Bill Q3, an Act for the relief of Florence Berger Bassin.

Bill R3, an Act for the relief of Roland Edouard Levert.

Bill S3, an Act for the relief of Alice Robert Rajotte.

THIRD READINGS

The Hon. the SPEAKER: Honourable senators, when shall these Bills be read the third time?

Hon. Mr. ROBINSON: With the leave of the Senate, I would move that these Bills be now read the third time.

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

PRIVATE BILL

SECOND READING

Hon. Mr. PATERSON, for Hon. Mr. Hayden, moved the second reading of Bill C, an Act to incorporate Wesleyan Methodist Church of America in Canada.

He said: Honourable senators, in the absence of the honourable senator from Toronto (Hon. Mr. Hayden), I am moving the second reading of this Bill. The information furnished me in connection with it is that Stanley William Blanchard, James Alexander Bain, Edward William Tokley, clergyman; Russell L. Leroy, clergyman; and Jacob Hamilton Weaver, clergyman; all of the City of Ottawa, in the province of Ontario, are applying for incorporation under the name of Wesleyan Methodist Church of America in Canada. Apparently these people have churches in Ottawa South, Winchester, Morrisburg, and several other small places. I believe this Bill has been before our Law Clerk, Mr. MacNeill, and the name proposed does not conflict with any other.

Hon. Mr. BALLANTYNE: What is the name?

Mr. PATERSON: Wesleyan Methodist Church of America in Canada. I know very little about it.

Hon. Mr. BALLANTYNE: I know very little about it myself, but I understood that the Methodist Church, including the denomination my honourable friend has just mentioned, had come into the United Church.

Hon. JAMES MURDOCK: No. There are still some Wesleyan Methodist Churches doing business in Canada, particularly in Ontario. If this Bill receives second reading, I, as a Methodist by marriage, shall hope that these gentlemen will be brought before the committee in order that we may ascertain the reason for the high-sounding words "Wesleyan Methodist Church of America in Canada."

Hon. Mr. BALLANTYNE: Wesleyan American?

Hon. Mr. MURDOCK: "Wesleyan Methodist Church of America in Canada." I believe there is a Wesleyan Methodist Church in the United States, and I know that there are some churches still functioning under that name in Canada. But those of us who belong to the United Church of Canada have a right to hear from these gentlemen their reasons for organizing or instituting another incorporated body of Methodists.

Hon. Mr. COPP: They were not satisfied with the United Church.

Hon. Mr. BALLANTYNE: I think the honourable senator from Parkdale (Hon. Mr. Murdock) is quite right. I do not know what committee this Bill will be referred to, but I think we ought to hear what these reverend gentlemen have to say.

The Hon. the SPEAKER: It would be the Miscellaneous Private Bills Committee.

Hon. Mr. BALLANTYNE: To me that would seem very appropriate.

Hon. Mr. PATERSON: I do not know whether the honourable senator from Parkdale (Hon. Mr. Murdock) is a member of that committee. If not, we should refer it to a committee of which he is a member.

Hon. Mr. MURDOCK: I shall try to be present when the committee meets. This Bill may be all right, but I should like to know the why and wherefore of it.

Hon. Mr. LAMBERT: Honourable senators, I do not think there is anything extraordinary about this measure. I rise, not for the purpose of offering any apologies for the Wesleyan Methodists of Canada, but simply to suggest that when we have the spectacle of the continuing Presbyterian member from Fort William (Hon. Mr. Paterson) offering at this late date a Bill to incorporate the continuing Methodists in Canada, I think that Bill should receive full support of the Senate without going to committee.

The Hon. the SPEAKER: I would draw attention of the honourable senator from Fort William (Hon. Mr. Paterson) to the fact that his motion is without a seconder.

Hon. Mr. PATERSON: May I ask the honourable senator from Ottawa (Hon. Mr. Lambert) to second the motion?

Hon. Mr. LAMBERT: I am very pleased to second the motion.

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

REFERRED TO COMMITTEE

Hon. Mr. PATERSON moved that the Bill be referred to the Standing Committee on Miscellaneous Private Bills.

Hon. Mr. MURDOCK: Will the gentleman mentioned in clause 1 be requested to come before that committee and tell us about the Bill?

Hon. Mr. KING: They will be there.

Hon. Mr. BALLANTYNE: Provided you do not ask them to join the United Church.

The motion was agreed to.

ECONOMIC RECONSTRUCTION AND SOCIAL SECURITY

DEBATE CONTINUED

The Senate resumed from Tuesday, March 28, the adjourned debate on the motion of Hon. Mr. Beauregard:

That it is expedient that this House should get ready without delay to study the legislation which will be brought before it—constructive or remedial legislation—intended to safeguard, immediately after the termination of war production, the economic life in each of the provinces of the country; and for this purpose to constitute among its members a committee of economic studies, as representative as possible, which would be empowered to investigate the normal production in each province, the standard of living, the employment capacities, the conditions of labour, the openings, and, for this purpose, to invite and hear representatives from farmers, labourers, transport companies, the industrial and commercial world concerning their preparation and their concrete projects for the post-war period.

Hon. P. R. DuTREMBLAY: Honourable senators, the motion before us recommends that this House study the legislation intended to safeguard the economic life of each province in Canada after the termination of the war, and endeavour to find out what projects may be undertaken during the post-war period. I hope that every member of this honourable Chamber will support the principle of the motion.

No doubt an object similar to that stated in this motion was what the federal Government was aiming at when it announced that all the provinces would be called to a conference at Ottawa. A Dominion-Provincial conference, as honourable senators are aware, is to take place as soon as convenient for the provinces. I presume that the conference agenda will contain many suggestions that the mover of this motion (Hon. Mr. Beauregard) has in mind. No doubt there will be various requests from the provinces to the Dominion Government for help in numerous directions.

There is one matter of great importance that I think should be submitted to the conference, namely, the question of education. I agree with much of what was said about education this afternoon by the honourable senator from Winnipeg (Hon. Mr. Haig). If we desire to make good citizens of our young people, if we wish to see them progress and succeed, it is essential that we give them the best education possible.

As honourable senators know, education comes under the jurisdiction of the provinces. True, the federal Government has helped liberally in several instances. The responsible authorities in a number of provinces have already promised the people that better educational facilities will be provided. This will mean the expenditure of large amounts of money. Where is this money to come from? Some provinces have not the means to pay for all the facilities that they would like to provide.

In certain of these provinces the people are already heavily taxed. Honourable members will recall what was said the other day by the mover of this motion about the difficult position of landlords in the city of Montreal. One of their principal difficulties arises from the fact that the financial burden of education is carried almost entirely by real estate. The provincial Government should be able to assume a larger share of this burden. The Dominion could perhaps give aid to the provinces for educational purposes in a way that would not interfere with provincial autonomy. It could, for instance, make a substantial increase in provincial subsidies.

At times certain provinces complain that they have not the revenue necessary to carry on important obligations imposed upon them by the British North America Act. Another complaint is that they do not receive all the revenue to which they are entitled under that Act. For instance, it is pointed out that although the provinces were given the exclusive right to levy direct taxes, which include the income tax, these have been to a large degree appropriated by the federal Government. The argument is that the Fathers of Confederation intended that the moneys derived from direct taxation should be at the disposal of the provinces. Of course, we must not forget that the British North America Act contains a clause permitting the federal Government to impose direct taxation in the event of war. This clause was availed of, legally and properly, at the time of the last war, in 1917. It was necessary then, as it is to-day, for the Dominion to levy an income tax. There is no doubt in my mind that the Income War Tax Act will be kept in force for many generations, in order to enable the federal treasury to meet obligations arising from war conditions.

When the provincial authorities saw that the federal Government intended to continue collecting the income tax, they imposed a provincial income tax as well. One result of this was that the citizens of Montreal were for a time paying income tax to three governments: the federal, the provincial and the municipal. Such a condition tends to impoverish the people, and adds to the difficulty of collecting additional taxes for educational purposes.

We must admit that when, a few years ago, the federal Government took over provincial income taxes for the duration of the war, it was generous and fair to the provinces. Some people are dissatisfied and criticize the Government to-day because of the fact that, owing to the temporary wartime prosperity, the federal treasury collects now a total in excess of the compensation that was allotted to the provinces when the arrangement was made. It cannot be denied the Dominion Government needs the money for war expenditure. However, as I said before, the entire situation could be corrected by an increase in provincial subsidies.

The question of succession duties, which are now payable to both the federal and provincial Governments, should also be discussed at the coming conference. These burdensome taxes do not encourage a man to try to provide for the future of his family. They are so heavy as often to be the cause of great inconvenience to heirs.

I know that war expenditures necessitate the imposition of such taxes by the Government. I would suggest that the conference endeavour to come to an arrangement whereby there will be only one income tax and only one succession duty. If it could be agreed that the Dominion continue collecting the income tax, a more liberal proportion of the tax receipts should be paid to the provinces. This would be an easy matter to adjust, and the single collection would prove less costly than the present system.

I would make another humble suggestion regarding the future prosperity for which we hope in this country. No doubt after the war our people will be desirous of receiving as high salaries as those that are paid to-day and of enjoying, if possible, a better standard of living. These objects can be attained only if we have the necessary buying power to create the desirable situation of full employment for all employable men and women. That situation can be arrived at only through the

supplying of our needs. Our social system is based on free enterprise. Our future prosperity and happiness depend largely, if not entirely, on private enterprise. We must not fool ourselves. Artificial methods will not endure.

Something more is required than the help of a government, whether socialistic or democratic, to ensure employment at reasonable wages to all the people all the time. The law of supply and demand will always be the golden rule. To give security to all we must first re-establish normal conditions for business in general. We have available enough wealth to initiate important enterprises. We must therefore, as soon as possible, revert to normal conditions; the country can hope for security only on such a basis. Owing to the heavy taxation it would entail, there is no lasting security to be hoped for through artificially stimulated markets. I hope that as part of our post-war policy all encumbrances on or barriers to business will be removed as quickly as possible in order that commerce may follow its natural course, and so, I trust, lead to the happiness and prosperity of our country.

We must admit that Canada is to-day enjoying great prosperity. There is, for instance, full employment at high wages; industry in general works at full capacity; business on the whole is good. To maintain these conditions we must keep production at its present high level. In order to do so it is necessary that industry shall have the necessary capital. The creation of the Industrial Development Bank will render valuable assistance to this end, and with our Canadian banks performing such splendid services in furthering the activities of trade and commerce, we may well hope that Canada will enter upon a new era of prosperity and happiness.

Our greater buying power, our commercial treaties, our excellent war effort, which has enhanced our standing with our Allies and with our friends, our fellow members of the Commonwealth of Nations, and the great development of our industries—all these things give me full confidence in the future of Canada. This country should be able to give full employment to every one desiring work; for only in employment can we really have true security.

Hon. Mr. HAIG: Hear, hear.

Hon. ARTHUR MARCOTTE: Honourable senators, in rising to speak in support of this motion, I wish to offer my congratulations to the mover (Hon. Mr. Beauregard) on the opportuneness of his proposal and the strong arguments he has brought forward in its support.

The speech of his seconder (Hon. Mr. Vaillancourt), his first in this House, was a good one indeed. I am sure that we shall all benefit from his experience in economics.

The proposed committee when formed will, I hope, make far-reaching enquiries, study present and future problems and offer useful suggestions. I wonder if the wording of the first sentence of the motion should not be, "Legislation which should be brought," instead of "will be brought." We cannot wait until the legislation is presented to us, for then it will be too late to study it as fully as we intend to.

I have on several occasions stated in this Chamber that I was opposed to state ownership and state operation. There are three cardinal reasons for the lack of success of state operation: (1) money is easy to secure for any purpose of construction or development, whether needed or not; (2) extravagance and waste predominate in operation; (3) there is an absolute disregard of the necessity and means of repayment of borrowed moneys. I realize that in time of war the Government has to take control of some main industries, but I heard with pleasure the honourable senator state that we should put a brake on centralization and bureaucracy.

We have learned lessons in the dreadful school of war, and the records of our armies are splendid. We have also learned other lessons in the sphere of production, and I believe it is important for the future of Canada that we note these lessons and, regardless of what we have accomplished in our economic efforts for the war, view these efforts in their true proportions. Let us draw from that experience correct guidance for the conduct of our economic life in time of peace.

I do not intend to criticize the Government for everything it has done, even though its policies did not always bring the results expected; but I would point out how well the system of private enterprise has served us in this great national crisis. Take the field of public finance. To avoid threatening inflation, the Government established the system of paying a cost-of-living bonus to certain classes of workers. Later it became necessary to increase the number of these classes, but it was not sufficient, and on top of that direct control of prices was established. This system of control is absolutely contrary to the spirit of our society, which is one of free enterprise. I think we might with justice say that the Government has thus raised an army of bureaucrats checking on almost every ordinary activity of our people. I hope that this army will be demobilized as soon as possible.

But this was not sufficient, and it became necessary to pay each year a large sum of money in subsidies, with the result that whereas we were promised that the cost-of-living bonus would prevent inflation, we now have the cost-of-living bonus, the wage increases which it was to prevent, the cost of administering price control, and the burden of a colossal sum in subsidies. I admit that this country has done better than most others in preventing any inflationary rise in prices, but this does not prevent me from saying that possibly we could have done much better.

What I should like to point out is that the Government should not hesitate to admit freely and generously that any success attained has been due not solely to skilful administration by Government officials, but rather to the enthusiasm, the courage and the enterprise of private citizens and private corporations. We know that before the war many private corporations were so keenly alive to the prospect of war and so fully aware of the demands which it would make on our nation, that at great expense to themselves they made preparations for it. For example, the Government is pointing with pride to the great Sorel industry; yet it is a fact that this industry was started by private enterprise, and not only without assistance from the Government, but without even encouragement. It must be admitted that in the production of aeroplanes, shells and many other commodities, splendid results were due to the forethought and the energy of private enterprise.

The Government is fond of boasting of the fact that one-third of the motor transport used by the armies of the United Nations comes from Canada. This is not due to any foresight on the part of the Government nor to skilful administration by its bureaucracy; it arises from the fact that private enterprise created the great motor industry in Canada and placed it at the disposal of the Government. I could cite a number of the new Crown companies which have been created and which in my opinion were not necessary. It would have been wiser on the part of the Government to let contracts for the necessary goods and provide private corporations with capital assistance.

I will not spend time in discussing the great aluminum industry; it would require a whole speech; but this also is the result of private enterprise. True, there was some government assistance, but we have evidence that only the knowledge and skill acquired entirely in the service of private corporations made success possible. If I desired to select other examples of what private enterprise has accomplished for Canada during the war, I could find them in endless variety.

I could, for instance, cite the case of the Canadian Pacific Railway, not only for its splendid work in railway transportation, but also for the spirit of enterprise shown in acquiring a large number of struggling private air lines and linking them into one great Canadian system. This system, so far from interfering with the Government-owned Trans-Canada Air Lines, in fact provided Northern Canada with a modern transportation service which otherwise would not exist. In addition, the Canadian Pacific Railway, as is typical of private enterprise in general, has been able to place at the disposal of the nation highly organized industrial plants and highly skilled labour in great numbers. It has manufactured tanks in the Angus shops and naval guns at Calgary, as well as everything else that the Government has asked it to make. The same thing is true wherever you turn in Canada.

I will not attempt to catalogue the different private enterprises which have contributed to our war effort, for I might be charged with being an advocate of "big business." But I am not afraid of being classed as an advocate of private enterprise. I take pride in it. Look at the great services rendered to Canada by the private enterprise of our farmers. There was a shortage of farm labour such as had never been known; some farmers' sons were drafted for the fighting services or attracted to the cities by the high wages of industrial undertakings; still these farmers not only kept up production, but increased it so tremendously that the food supplies from Canada have been a major factor in maintaining the heroic resistance of the people of Britain.

I should like to point out that not only great corporations, but little machine shops, little shoe factories, little clothing plants from coast to coast, have contributed in impressive volume to the equipment of our fighting men. I believe that if we were to measure the total contribution of private enterprise to the war effort, we should discover that more had been accomplished by what we may justly regard as small business than even by those great corporations to which I have referred.

I submit, honourable senators, that of all the lessons which we may draw from the war the greatest is this: that Canadian private enterprise must be maintained, and that the functions of Government should never be extended beyond those of giving guidance and direction through our national policies. Let us remember the advice given us by that grand Prime Minister, Winston Churchill:

We must beware of trying to build a society in which nobody counts for anything except a politician or an official, a society where enterprise gains no reward, and thrift no privileges.

I conclude, honourable members, by asking you to remember this above all: that whatever may be the aim of any other nation, we in this Dominion intend to continue in the future as we have in the past to base our economic life on that one system which made it possible for us to do our part in this war—the free enterprise of free Canadians.

Some Hon. SENATORS: Hear, hear.

Hon. A. D. McRAE: Honourable senators, I have only a word or two to say in regard to the motion before the House. If effect can be given to the motion, I am decidedly in favour of it; but it seems to me there are a few points to consider. First, there is not much use in our passing motions if after we have done so they are going to remain dormant.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. McRAE: This motion is very wide in its scope; it takes in many things, all of which might well be looked into. And if that were done it would entail a great deal of work—work which should be done, and which, I think, could perhaps be done better, by the Senate than by any other parliamentary body. If inquiry were made into all the questions brought up by the motion, and perhaps into some more, it might result in furnishing the Government with a blueprint or guide as to what it should consider when the post-war period arrives. I am not unmindful, however, of the fact that we already have two committees—one in each House—dealing with this post-war period, and it is just possible that the Government might feel that the ground is already covered. I do not wish to say anything disparaging about the findings of those committees to date; but as I read their reports I fail to see evidence of any very great effort to provide jobs for the unemployed after the war is over. That, I take it, would be pretty much the entire object of this motion.

To give effect to this motion some expenditure would be necessary, and I think that before passing the motion we should ascertain from the honourable leader on the other side whether the Government feels that such an inquiry should be made by the Government itself. We cannot get labouring men and others here without incurring some expense, and I am afraid that if we set up a committee without authority to incur expenditures of that kind, any inquiry it might make would be very incomplete.

I am very much in favour of the motion. I think that what it proposes is absolutely necessary. Probably we should have started a couple of years ago, for the inquiry proposed will require more than one season's work. But the success of it depends on whether the Government wants it or not.

Hon. Mr. KING: I would ask that the matter be allowed to stand.

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

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

THE SENATE

Friday, March 31, 1944.

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

Prayers and routine proceedings.

APPROPRIATION BILL No. 2

FIRST READING

A message was received from the House of Commons with Bill 65, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1944.

The Bill was read the first time.

SECOND READING

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

Hon. Mr. KING: With the consent of the Senate, I move second reading now.

This Bill, honourable senators, covers supplementary estimates totalling $2,754,162.56. The over-expenditures on the estimates of last year refer largely to one or two departments. For instance, the Post Office Department has asked for an increase of $670,000 over last year's estimate. That over-expenditure is due to certain adjustments that have been made with respect to wages in the department, and expenditures in relation to the war and increased air mail service.

Then, on page 4, there is an item of $141,000 in connection with the Hudson Bay Railway. This is to provide for the difference between expenditures for operation and maintenance and revenue accruing from operation during the year ending March 31, 1944.

Under the Maritime Freight Rates Act there is also an adjustment, the amount required being $790,862.77. The Maritime freight rates are adjusted, I understand, in relation to the

quantity of freight. Of course there has been a great increase in the freight passing over the lines to New Brunswick and Nova Scotia.

On page 5 there is an amount of $217,045.36. This is an addition to the sum of $475,000 already appropriated to provide for payment during the fiscal year 1943-44 to the Canadian National Railway Company of the deficit in the operation of the Prince Edward Island car ferry and terminals arising in the calendar year 1943, as certified by the auditors of the railway company. Payment is preceded by application, approved by the Minister of Transport, made from time to time by the railway company to the Minister of Finance. As honourable members are aware, a Prince Edward Island car ferry was lost, and, additional expenditures have been made there.

With these remarks, I move the second reading of this Bill.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: With leave, I would move that it be read the third time now.

Hon. Mr. BLACK: May I ask a question, for my own information? The Hudson Bay Railway, of course, is owned and operated by the Canadian Government?

Hon. Mr. KING: Yes.

Hon. Mr. BLACK: Is it part of the Canadian National Railways system, or is it separate?

Hon. Mr. KING: I think it is separate, but it is operated by the Canadian National Railways.

Hon. Mr. BLACK: That is the reason why you are asking for a separate amount?

Hon. Mr. KING: Yes.

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

TECHNICAL EDUCATION EXTENSION BILL

THIRD READING

Hon. Mr. KING moved the third reading of Bill 41, an Act to amend the Technical Education Extension Act.

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

EXCHEQUER COURT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 35, an Act to amend the Exchequer Court Act.

He said: Honourable senators, I should like to make just a brief explanation. The Minister of Justice has indicated in another place that it has been thought wise to propose to Parliament the appointment of a third judge to the Exchequer Court. The Minister says that the work of the court has increased, and that there is an indication of a further increase. For instance, it is contemplated that problems of adjudication upon relations between companies that have received capital assistance and other concerns engaged in war work will be a heavy task for the court. I would commend the Bill to the favourable consideration of the Senate.

Hon. Mr. CALDER: Honourable senators, I imagine that the work of the Exchequer Court has increased in the past and will in the future be very much further increased. Does the honourable leader know for how long there have been two judges on that court? It must be a long time.

Hon. Mr. KING: There have been two judges for a long time, but I do not know for just how long.

Hon. Mr. CALDER: The work of the court must have been increasing, and present conditions are bound to increase it still further.

Hon. Mr. COPP: The court is very much behind with judgments.

Hon. Mr. CALDER: I can see no objection to the passing of this 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: With 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.

ECONOMIC RECONSTRUCTION AND SOCIAL SECURITY

DEBATE CONTINUED

The Senate resumed from yesterday the adjourned debate on the motion of Hon. Mr. Beauregard:

That it is expedient that this House should get ready without delay to study the legislation which will be brought before it—constructive

or remedial legislation—intended to safeguard, immediately after the termination of war production, the economic life in each of the provinces of the country; and for this purpose to constitute among its members a committee of economic studies, as representative as possible, which would be empowered to investigate the normal production in each province, the standard of living, the employment capacities, the conditions of labour, the openings, and, for this purpose, to invite and hear representatives from farmers, labourers, transport companies and the industrial and commercial world concerning their preparation and their concrete projects for the post-war period.

Hon. J. H. KING: Honourable senators, I wish to make a few remarks with respect to this motion standing in the name of my honourable friend the senator from Rougemont (Hon. Mr. Beauregard), seconded by the honourable senator from Kennebec (Hon. Mr. Vaillancourt). Any one who will carefully read the resolution and the speech made by the honourable the mover will find therein much material for consideration and thought. Before proceeding further I wish to congratulate the honourable gentleman from Kennebec, who is not in his seat at the moment, on his appointment to the Senate, and also on the fact that his first speech in this Chamber was in relation to a matter of such public importance.

My honourable friend the mover has covered a wide field. He seems to fear that there is a danger of centralization in the post-war period. Of course, in war-time Governments must assume greater powers in order to give the fullest effect to the war effort. But I think that, generally speaking, both the people of Canada and members of the Government are strongly of opinion that, in regard to social and similar legislation, the greater the decentralization the better will be the administration. True, under our Constitution questions will arise as to whether a given subject is under provincial or Dominion jurisdiction; but to-day there is a feeling in the public mind that these questions must be adjusted, and I believe it may be taken for granted that our public men are aware of this feeling and are prepared to bring about the fullest co-operation between provincial and federal authorities. It is amazing that those who drafted the British North America Act were able to foresee so clearly the development of a great nation on this half of the North American continent. Their work has served a very useful purpose, but I think it is generally acknowledged that if we are to get the full benefit of Confederation the British North America Act will have to be modified in order more clearly to define the respective jurisdictions of the provinces and the Dominion. I am satisfied that neither the Government nor Parliament desires wartime controls to be retained in the post-war period, and undoubtedly they will be discontinued as the necessity for them disappears.

My honourable friend has brought to our attention the important matter of the centralization of industry. The tendency is general, not only in Canada, but throughout the world, for industries to locate in large centres of population. I believe that those engaged in industry, both management and workmen, would benefit if factories were established in smaller communities. The advantage might not be so obvious to the management, but undoubtedly the workmen would enjoy better living conditions and greater freedom for recreation.

But in this connection it must be borne in mind that certain factors govern the location of industry. The primary factors have to do with markets, power, labour. These considerations have to be given full weight. I would suggest that if the legislation now before Parliament for the establishment of a Department of Reconstruction be enacted, the Minister of that department should direct his officers to study how best to bring about a wider distribution of industry throughout the Dominion.

In his motion my honourable friend asks that a committee of this Chamber should be constituted to investigate all matters pertaining to economic reconstruction and social security. As we all know, shortly after the outbreak of war, at the instance of the Prime Minister, a committee was set up in the other House to make a study of what measures should be taken in the post-war period for the purpose of effecting reconstruction, rehabilitation and social security. Some of the ablest men in our educational, industrial and agricultural life were engaged to make a study of post-war conditions. The committee held many sittings and heard representations from Government officials, university professors, industrialists, members of boards of trade and chambers of commerce, and spokesmen for labour and agricultural organizations and the railways; and the premiers of various provinces also attended and presented their views. The House of Commons set up also a smaller committee to deal with the question of social security. Dr. James and other eminent men who have made an exhaustive study of social problems gave evidence and made certain recommendations to the committee. Each committee has since presented a report to the House of Commons.

Last session the Senate constituted a committee on Reconstruction and Social Security, and it heard a good deal of evidence. The

committee would have been set up again this session but for the fact that the Speech from the Throne contained an intimation that a Department of Reconstruction would be established. Also it was felt that the field of inquiry had been fairly well exhausted.

I would suggest to my honourable friend that he consent to the subject-matter of his motion being referred to our Standing Committee on Banking and Commerce, so that that committee may ascertain whether any useful purpose can be served by further inquiry in this field. The Banking and Commerce Committee might decide to set up a special committee to study economic conditions mentioned in the motion. I am sure the Government would have no objection to this being done. I think my honourable friend would be well advised to follow the course I have suggested.

Again I wish to commend my honourable friend for having brought this interesting and important subject to the attention of the Senate, and also those honourable members who have taken part in the discussion.

Hon. Mr. BEAUREGARD: Honourable senators—

The Hon. the SPEAKER: I would draw the attention of honourable senators to the fact that if the honourable member now proceeds he will close the debate.

Hon. A. C. HARDY: Honourable senators, the honourable leader on this side (Hon. Mr. King) has expressed the opinion that the Banking and Commerce Committee would be a suitable committee to which to refer this motion. I have no objection to this, except on one point. As he himself has said, this resolution is cast in broad terms and covers a wide field. This being so, there is no question that during the discussion in committee we are bound to run up against points of constitutional law in regard to jurisdiction as between the provinces and the Dominion. I am wondering how far the Banking Committee could proceed to deal with the various subjects covered by this motion, in view of these constitutional points of law. Honourable senators will recall, when Right Hon. Mr. Meighen was leading one side or the other in this House, that frequently in dealing with certain legislation we were faced with the question of whether or not it encroached upon provincial jurisdiction. There has been a great deal of litigation in respect of federal legislation dealing with labour, and several appeals have been taken to the Privy Council. We have seen still more litigation in connection with federal statutes covering insurance companies. I might cite other subjects of disputed jurisdiction, but I will not labour the point. If a committee of this House, whether a standing or a special committee, makes a study on the lines proposed in the motion, it will be faced with many questions of jurisdiction. I am inclined to think that perhaps a special committee could give better attention to the subject-matter of the motion than could the Banking Committee.

Hon. Mr. BEAUREGARD: Hear, hear.

Hon. Mr. HARDY: At the same time, the Banking Committee has always enjoyed the fullest confidence of this House as a hard-working and conscientious committee. I repeat, I am afraid that if the motion is referred to a committee, no matter what recommendations are brought forward, we shall in many cases be confronted by difficulties arising out of the split jurisdiction between the federal and provincial Governments. This difficulty must always be kept in mind.

Hon. J. A. CALDER: Honourable members, speaking merely on the suggestion that has come from the leader on the other side (Hon. Mr. King), may I say that I can see no objection to it. Yet I have difficulty in understanding how we are ever going to get anywhere.

We have had, as the leader of the House has said, two committees, one constituted by the other Chamber and one by this. They have done a great deal of valuable work. But this resolution covers a large part of what has already been done, and to throw it to the Banking and Commerce Committee at this stage, in the hope that it will deal with all the matters covered by the resolution, seems to me to be expecting too much. If the mover of the motion and, say, the honourable senator from Ottawa (Hon. Mr. Lambert) and the Chairman of the Banking and Commerce Committee (Hon. Mr. Black) could get together and decide whether any subject should be further considered by some committtee, then if there was a reference to that committee we should be in a better position to accomplish something.

A vast amount of work has been done, not only in Parliament, but everywhere throughout Canada. One of the finest signs of the times is the discussion, by all classes of our people, of what should be done after the war ends. Regardless of what they say or think, the fact that our people are in that frame of mind promises well for the future of Canada. I merely suggest that this resolution should be referred to a small committee, with instructions to indicate to the House whether or not it would be wise for us to give some of these matters further consideration.

Hon. Mr. KING: I think my honourable friend has misunderstood me. I hope very much that this matter will be referred to a committee. It could be a special committee, or one selected from among the members of the Banking and Commerce Committee.

Hon. Mr. CALDER: But you would have a large committee.

Hon. Mr. KING: What I have tried to make plain is that if the members of the Banking and Commerce Committee are of opinion that further evidence should be heard, they could hear it themselves as a committee, or could appoint a small subcommittee to do so. If we proceed along that line, we shall be, I believe, fairly safe. If the resolution is referred to a committee, I think the committee should not be asked to re-hear witnesses who have already given evidence before a parliamentary committee, unless there is some special phase which seems to require further study.

It has been suggested that the resolution be referred to the Committee on Finance.

An Hon. SENATOR: Why not a special committee?

Hon. Mr. KING: We had a special committee last year. We have not reconstituted that committee this year, because the Government has proposed a Reconstruction Department, and the question now is more or less one of administration. I have no strong feelings on the matter before us, but if the resolution were referred to the Banking and Commerce Committee, and its members decided that a smaller committee could deal with it better, they could so report to the House and we could act on their recommendation.

Hon. Mr. CALDER: I can see no objection to moving along those lines.

Hon. NORMAN P. LAMBERT: May I say a word or two about two phases of this resolution, each of which appears to me to be distinct from the other? I would suggest to the mover of the resolution that when he rises to conclude this debate, he should clarify his mind and ours as to the first half of the resolution, which bears particularly upon the aspect of Dominion-provincial relations. The other half of the resolution refers very clearly to the scope of the work of the committee, of which I had the honour of being chairman last year, namely, the Committee on Economic Re-establishment. So far as economic rehabilitation is concerned, it is my view that any contribution which any committee of the Senate could make now would be affected very definitely by the fact that the problems of reconstruction from an economic and financial standpoint are in process of being worked out by the Government through two of its departments. Further, if a committee were to re-hear evidence of outstanding representatives of business and industry it would be more or less prejudicing—if that is the word—would be more or less duplicating work which is already going on, and which has a very definite bearing upon the period following the war.

The first part of the resolution deals with anticipated legislation. I feel that we should be very careful on this point, and for that reason I should like my honourable friend, the mover of the resolution, to make himself quite clear. We must be very careful lest we prejudice the work to be done soon by a conference between the provinces and the Dominion respecting the vital question as to whether or not financial arrangements now in vogue shall continue, and whether they will be in the interest of the whole country, having particular relation to some of the social services that have been recommended. If a committee were to engage in the discussion of that subject now and an interprovincial conference should take place within the next month or two, what would be the result? It seems to me that we should be better advised to wait and see what that conference is going to do, and to have a full discussion later.

Hon. JAMES MURDOCK: Honourable senators, I had not intended to say anything about this motion, but I really think I should point out that, in my judgment, it is the most unfortunately worded motion or resolution that I have seen before this House in many years. There are many people in this country of ours who think we are a lot of biased old men—

Hon. Mr. DUFFUS: Not all.

Hon. Mr. MURDOCK: —living in a past age, and thinking chiefly about how little we can do for what we get. Here we have a resolution which provides ammunition to all who do not like the Senate or senators. What are we going to do under it? Listen to this language! We are going to investigate "the economic life in each of the provinces of the Dominion." After we have done that, we are going "to constitute among the members a committee of economic studies, as representative as possible, which would be empowered to investigate the normal production in each province, the standard of living, the employment capacities, the conditions of labour, the openings—" What openings? There is not one word to indicate what openings we are talking about. I presume this means openings for the several hundred thousand soldiers who, we hope, will be returning from overseas shortly.

But the resolution does not say that. We are just going to investigate "the openings in the various provinces."

Speaking from my own experience—which, in the estimation of some, is very narrow—I would say that we do not need to go very far to investigate certain conditions. Right here in the city of Ottawa we can find filth, distress and hardship, such as should not be tolerated in this Canada of ours. We can find it in even greater measure in the city of Montreal, in the city of Toronto, and in various other places. Under the British North America Act the provinces largely control such conditions, and it seems to me that the provinces would very much resent the language of the resolution before us and the idea that the Senate of Canada was going to investigate the economic life in each of the provinces. We are going to investigate the normal production in each of the provinces, and then, I presume, make a recommendation. Well, in the light of a few years' experience in this House, and on the Banking and Commerce Committee, I have a mental photograph of the recommendation and the results that would be secured. They would be absolutely worthless, and, in my humble judgment, would do more harm than good.

Hon. F. B. BLACK: Honourable senators, I do not wish to prolong this discussion, but I want to make one or two remarks with regard to the proposed submission of this resolution to the Banking and Commerce Committee. As we had a special committee set up last year to inquire, in part at least, into the matters under discussion, it seems to me that this matter, if it is to be referred to any committee, should be referred to that one, which should be rejuvenated or reconstructed for the purpose.

Hon. Mr. BEAUREGARD: Hear, hear.

Hon. Mr. BLACK: I say this not because, as chairman of the Banking and Commerce Committee, I want to shirk any task, but because the Re-establishment Committee has already had witnesses before it and heard evidence with respect to matters within the scope of this resolution. That evidence will be fresh in the minds of the committee members, and in my opinion that committee, if re-established, would be better able to handle the matter than a large committee, such as the one on Banking and Commerce. The experience and knowledge gained by the Chairman and members of the Re-establishment Committee ought to fit them to do much better work than could be done by a new committee, few of whose members were on that special committee.

Hon. Mr. MURDOCK.

Frankly, I do not believe that a committee of this House, or of the other House, could get very far in dealing with this matter. I am in sympathy with the resolution, and I have enjoyed listening to the remarks of those who have spoken upon it. I think that all the speeches made during this debate have been pertinent and interesting. Yet I do not know that this Chamber, or the House of Commons either, would be able to do much with the subject-matter of the resolution unless the British North America Act were amended in some particulars. In any event, if a good deal of the ground covered by the resolution has already been considered by a special committee, I do not think there should be a reference to the Banking and Commerce Committee.

Hon. Mr. HAIG: Honourable senators, I should like a little time to consider this resolution further and to consult some friends about it. And it would be interesting to know if there is to be a Dominion-provincial conference in the next two or three weeks. For these reasons I move that the debate be adjourned. I think it would be in the interest of harmony in this Chamber to have an adjournment of the debate until after the Easter recess.

Some Hon. SENATORS: Hear, hear.

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

PRIVATE BILL

SECOND READING

Hon. JOHN T. HAIG moved the second reading of Bill H3, an Act to incorporate Workers Benevolent Association of Canada.

He said: Honourable senators, this is the ordinary form of Bill for incorporating a fraternal benefit society. The members of the association concerned are for the most part Ukrainians in the province of Manitoba. They already have a provincial charter, but the province has notified them that they will not be allowed to continue carrying on fraternal benefit work unless they become incorporated through an Act of Parliament. Section 16 provides that the Act shall not come into force until a date to be specified by the Superintendent of Insurance in a notice published in the Canada Gazette, and that such notice shall not be given until the Act has been approved by at least two-thirds of the members of the existing provincial association.

Hon. Mr. KING: There is an insurance feature in the Bill?

Hon. Mr. HAIG: Yes. The association is an ordinary fraternal benefit society. The Bill has been copied carefully from the model bill, and it has the added safeguard that the consent of the Superintendent of Insurance is required before the Act can come into force.

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

REFERRED TO COMMITTEE

Hon. Mr. HAIG: Honourable senators, I move that the Bill be referred to the Standing Committee on Miscellaneous Private Bills.

Hon. Mr. KING: If my honourable friend will pardon me, I think a Bill of this kind would ordinarily go to the Banking and Commerce Committee.

Hon. Mr. HAIG: That is all right. I will amend the motion accordingly.

The motion was agreed to, and the Bill was referred to the Standing Committee on Banking and Commerce.

PRIVATE BILL

SECOND READING

Hon. JOHN T. HAIG moved the second reading of Bill 13, an Act to incorporate the Executive Board of the Canada Conference of the Evangelical Lutheran Augustana Synod of North America.

He said: Honourable senators, the board which is seeking incorporation under this Bill is a religious body of the Lutheran denomination. I intend to move, after second reading, that the Bill be referred to committee.

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

REFERRED TO COMMITTEE

Hon. Mr. HAIG: Honourable senators, I move that this Bill be referred to the Standing Committee on Miscellaneous and Private Bills.

Hon. Mr. MURDOCK: May I ask why this Bill should not be sent to the same committee as Bill H3, which we were dealing with a few moments ago?

Hon. Mr. KING: The former Bill had to do with financial matters.

Hon. Mr. COPP: That was a Bill to incorporate a fraternal benefit society; so some of its clauses would relate to insurance.

The motion was agreed to.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I would move that when the House adjourns to-day it do stand adjourned until Tuesday, April 25, at 8 o'clock in the evening.

The motion was agreed to.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

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

An Act to authorize the raising, by way of loan, of certain sums of money for the public service.

An Act to amend the Technical Education Act.

An Act to amend the Exchequer Court Act.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

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

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1944.

The House of Commons withdrew.

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

The sitting was resumed.

The Senate adjourned until Tuesday, April 25, at 8 p.m.

THE SENATE

Tuesday, April 25, 1944.

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

Prayers and routine proceedings.

CANADA-UNITED STATES RELATIONS

MESSAGE OF PRESIDENT ROOSEVELT THROUGH HON. RAY ATHERTON, UNITED STATES AMBASSADOR

The Hon. the SPEAKER: Honourable senators, I have the honour and the great pleasure of informing the Senate that His Excellency the Ambassador of the United States of America, the Honourable Ray Atherton, after presenting his credentials to His Excellency the Governor General and calling upon the Right Honourable the Prime Minister

and Secretary of State for External Affairs, paid an official visit to the Speakers of the Senate and of the House of Commons and, through them, tendered his respects to the honourable members of both Houses of Parliament.

His Excellency, in the most courteous, cordial and charming language, expressed the high regard of the President, the people of the United States and himself for our national and parliamentary institutions and the sterling qualities of our Canadian people.

We said to His Excellency that, Canada being an American as well as a British nation, we were fortunate in having such a good neighbour as the United States of America; that their great President had endeared himself to the hearts of all Canadians, to whom he had so often manifested his friendship; that we all had been deeply moved by the assurance given by Mr. Roosevelt before the war, that if Canada were attacked the United States could not stand idly by; that, on the other hand, appreciating that the United States, like Heaven, could help only those who would first help themselves, Canada had done her duty for the defence of her own territory; that we were now very proud to fight in the four corners of the earth side by side with the United States and our other Allies, not only in our own defence, but also for the inalienable rights of humanity; and we expressed our most sincere good wishes for the health and happiness of the President, the prosperity of the American people, and the success of His Excellency's mission to Canada.

The Ambassador thanked us and stated that these sentiments were in unison with the feelings dearest to the heart of the President and of every American citizen.

A few days later, the Honourable the Speaker of the House of Commons and I repaired to the United States Embassy to return the visit. We were most graciously received by His Excellency, and we took that opportunity to express not only our own gratitude, but also that of all honourable members of both Houses of Parliament, who felt greatly honoured by the visit which His Excellency had been kind enough to pay to their Speakers. We extended to His Excellency our sincere congratulations upon his appointment and our appreciation of the honour paid to Canada by the United States in accrediting, as their first Ambassador, one of the most distinguished members of their Diplomatic Service, a gentleman whose great reputation had preceded him and who, by his high qualities, in the short period of his stay among us had already entrenched himself solidly in the hearts of our people.

We added that the United States and Canada, with a four-thousand-mile unarmed boundary, had lived in peace for one hundred and thirty years, setting forth to the world an outstanding example of good neighbourliness; that twice during the lifetime of the present generation we had fought the same battles and shed our blood on the same battlefields against a common enemy; that these ordeals and the supreme sacrifice made by our sons in the defence of our ways of life and of our Christian civilization had woven between us unbreakable ties; that the unbounded confidence which existed between our two countries had been considerably strengthened by the Conference of Quebec, and by the eloquent and inspiring speech of the President to the people of Canada, delivered on Parliament Hill on the occasion of his historic visit to our Capital. We professed our faith in a prompt, decisive and glorious victory for our armies, and in our ability to continue for evermore to work together for the liberty and happiness of our respective peoples and of all mankind.

We concluded by renewing our good wishes for the health of the President, the prosperity of the United States and the success of His Excellency's Mission to Canada.

His Excellency thanked us most warmly for our visit and, particularly, for our speech, which he undertook to convey to the President, as nearly verbatim as possible.

His Excellency did so, and on the 19th of April His Excellency called again upon us to communicate a letter which he had received from the President, and which I have His Excellency's permission to read to the Senate, together with his own letter of transmission:—

Embassy of the
United States of America

Ottawa, April 19, 1944.

Dear Mr. Speaker:

I was deeply moved by the sentiments which were expressed this morning when you were kind enough to receive me and to afford to me the opportunity of reading to you the letter in which the President expressed his appreciation of the kind remarks made by you and Mr. Speaker Glen when you returned the calls which I had paid upon you.

I deem it a great privilege to comply with your request made at that time and to enclose a copy of the President's letter.

Sincerely yours

Ray Atherton.

Lieut. Col. the Hon. Thomas Vien,
Speaker of the Senate,
Ottawa.

Enclosure: Copy of President Roosevelt's letter of April 6, 1944.

The White House,
Washington

April 6, 1944.

My dear Mr. Ambassador:

I am glad that you told me in your letter of March 23, 1944, of the visit you received from Messrs. Vien and Glen of the Canadian Parliament and of their deep attachment to the great tradition of Canadian-American friendship.

At some appropriate time would you please thank them for their kind words of me, both when I was in Ottawa and when you spoke with them at the Chancery.

I wish also that you would tell them of the instinctive regard and affection for Canada and Canadians which a century and more of successful neighborliness has engendered among Americans. It means much to us that Canadian-American relations have developed a quality all their own. I think also that it can fairly be said that we Americans face the immense tasks ahead with greater confidence because of the practical lessons of the past, the strongly rooted co-operation of the present and the concrete ideals we share for the future.

Very sincerely yours,

Franklin D. Roosevelt.

The Honourable Ray Atherton,
American Ambassador,
Ottawa, Canada.

Honourable senators, words fail me adequately to express your gratitude and my own to the President and the Ambassador of the United States of America. I am sure that I am a faithful interpreter of your feelings in saying that we are most thankful, and that we affirm and endorse very heartily these noble utterances of the President which articulate the ideals that we all cherish and for which we are fighting. With your permission, I shall direct that the letters of the President and of the Ambassador of the United States form part of the permanent records of the Senate.

PRIVATE BILL

FIRST READING

Bill T3, an Act respecting the General Missionary Society of the German Baptist Churches of North America, and to change its name to the North American Baptist General Missionary Society.—Hon. Mr. Blais.

WATER METERS INSPECTION BILL

FIRST READING

A message was received from the House of Commons with Bill 36, an Act to repeal the Water Meters Inspection Act.

The Bill was read the first time.

CANADIAN NATIONAL RAILWAYS REFUNDING BILL, 1944

FIRST READING

A message was received from the House of Commons with Bill 64, an Act respecting the Canadian National Railways and to provide for the refunding of matured, maturing and callable financial obligations.

The Bill was read the first time.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION BILL, 1944

FIRST READING

A message was received from the House of Commons with Bill 84, an Act for carrying into effect the agreement for United Nations relief and rehabilitation administration between Canada and certain other Nations and Authorities.

The Bill was read the first time.

JUDGES BILL

FIRST READING

A message was received from the House of Commons with Bill 85, an Act to amend the Judges 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 86, 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 87, 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.

CANADA-REPUBLIC OF CHINA TREATY

DOCUMENTS TABLED

Hon. Mr. KING laid on the Table copy of a treaty between Canada and the Republic of China concerning the relinquishment of extra-territorial rights and the regulation of related matters, with exchange of notes, signed at Ottawa, April 14, 1944. Treaty Series 1944/11.

He said: Honourable senators, this document is similar in character to a treaty signed with the United Kingdom, Northern Ireland and India on January 11, 1943, and to the United States treaty with China, concluded on the same day.

Under the treaty all rights regarding international agreements which authorize British or Canadian officials to exercise jurisdiction in China over Canadian nationals are abrogated, and the Canadian Government agrees to cooperate with the Government of the Republic of China, where Canadian interests are involved, to the extent of arranging for the abandonment of special privileges heretofore held in Peiping, Shanghai, Amoy, Tientsin and Canton.

The relinquishment of these extra-territorial rights does not affect the rights of Canadian nationals with regard to real property in China, but it is agreed that Canadian property in China will be subject to Chinese laws concerning taxation and national defence, and it is provided that real property held by Canadians shall not be alienated to the government or nationals of a third country without the consent of the Government of China, the Chinese Government agreeing to apply this restriction of alienation in an equitable manner, and undertaking to take over the property in question and pay adequate compensation therefore, if the right to transfer is refused.

Canadian nationals in China are accorded the right to travel, reside and carry on trade in China, and each country agrees to accord to nationals of the other treatment not less favourable than that enjoyed by its own nationals in regard to legal proceedings, the administration of justice and the levying of taxes.

Consular officers of each country may reside in such places as are agreed on. They will have the right to interview and to communicate with nationals of their country; they are to be informed whenever any such nationals are under arrest, and may visit such nationals and receive communications from them.

It is also provided that six months after the cessation of hostilities the two governments will enter into a comprehensive modern treaty of friendship, commerce, navigation and consular rights. In the meanwhile, questions affecting the rights of Canadian nationals in China, and questions affecting the sovereignty of the Republic of China which are not covered by this or previous treaties, will be decided in accordance with generally accepted principles of international law.

CANADA-FRENCH COMMITTEE OF NATIONAL LIBERATION AGREEMENT

DOCUMENT TABLED

Hon. Mr. KING laid on the Table an agreement between Canada and the French Committee of National Liberation on the principles applying to the provision by Canada of Canadian war supplies to the French Committee of National Liberation, under the War Appropriation (United Nations Mutual Aid) Act of Canada, 1943, signed at Ottawa, April 14, 1944. Treaty Series 1944/12. English and French versions.

He said: Honourable senators, this agreement is in line with and similar to the agreements filed some few days ago in regard to the United Kingdom, Australia, the Union of the Soviet Republics of Russia, and China.

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

THE SENATE

Wednesday, April 26, 1944.

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

Prayers and routine proceedings.

PRIVATE BILLS

REPORT OF COMMITTEE

Hon. Mr. COPP presented and moved concurrence in the report of the Standing Committee on Railways, Telegraphs and Harbours on Bill Q2, an Act respecting the Kettle Valley Railway Company.

The motion was agreed to.

THIRD READING

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.

REPORT OF COMMITTEE

Hon. Mr. COPP presented the report of the Standing Committee on Railways, Telegraphs and Harbours on Bill R2, an Act to incorporate Fundy Air Lines.

He said: In obedience to the order of reference of March 28, 1944, your committee has examined this Bill and now begs leave to report the same with certain amendments.

The Hon. the SPEAKER: When shall these amendments be taken into consideration?

Hon. Mr. COPP: Next sitting.

WATER METERS INSPECTION BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 36, an Act to repeal the Water Meters Inspection Act.

He said: Honourable senators, this is a short Bill. The purpose of the Bill is to repeal the Water Meters Inspection Act, which was passed and assented to in 1905, but was not to become effective until proclaimed. By error the clause requiring proclamation to bring the Act into effect was omitted from

the Revised Statutes of 1927. The Act has never been required, there has been no administration under it, and the Minister is now asking that it be repealed.

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

CANADIAN NATIONAL RAILWAYS REFUNDING BILL, 1944

SECOND READING

Hon. J. H. KING moved the second reading of Bill 64, an Act respecting the Canadian National Railways and to provide for the refunding of matured, maturing and callable financial obligations.

He said: Honourable senators, this is a Bill to empower the Canadian National Railways to refund maturing and callable obligations between 1944 and 1950. These obligations in all amount to, I believe, $257,575,477.47.

The Bill follows pretty much the lines of a similar Bill passed in 1938. Under that Bill, in February of this year loans by the Government to the Canadian National Railways under the Act of 1938, totalled $105,719,032.65. Of this amount $24,689,392.53 bears interest at the rate of 2 per cent per annum, and $81,029,640.12 at the rate of 3½ per cent per annum. All loans made since the outbreak of the war are at the rate of 3½ per cent.

Repayments on loans under the Refunding Act of 1938 have been made out of cash surpluses of the railway company in 1941, 1942 and 1943. Portions of these surpluses applied to such loans total $22,622,073.15. Other cash surpluses have been applied to loans for capital purposes. The railway company has not retained any portion of the cash surpluses earned in 1941, 1942 and 1943: all have been paid over to the Government in the repayment of loans.

I have here a statement that was presented to the House of Commons. It sets forth the obligations, amounts and dates of maturity. The amounts are set out separately and total up to the figure I have already given of $257,575,477.47. I think it would be well to have this statement placed on Hansard for reference.

Canadian National Railway Company Maturing or Callable Bond Issues, 1944-1950

Date	Issue	Int. Rate per cent	Where payable	Amount outstanding
July 1, 1969 (callable July 1, 1944)...	Can. Nat. Rly. Dom. gtd.	5	Canada, London or New York	$ 56,704,000 00
Dec. 15, 1950 (callable Dec. 15, 1945)..	Can. Nat. Rly. Dom. gtd.	3	Canada	50,500,000 00
Jan. 15, 1946.....	Can. Nat. Rly. Dom. gtd.	2¼	Canada	15,000,000 00
July 1, 1946.....	Can. Northern Rly. Dom. gtd.	6½	New York	23,754,000 00
Feb. 1, 1952 (callable Feb. 1, 1948)...	Can. Nat. Rly. Dom. gtd.	3	Canada	20,000,000 00
Feb. 1, 1953 (callable Feb. 15, 1948)..	Can. Nat. Rly. Dom. gtd.	3	Canada	25,000,000 00
Oct. 1, 1969 (callable Oct. 1, 1949)...	Can. Nat. Rly. Dom. gtd.	5	Canada, London or New York	57,728,500 00
Apr. 2, 1950.....	Can. Northern Pacific Rly. Gtd. by prov. of British Columbia	4	London	971,785 73
Apr. 2, 1950.....	—do—	4½	London	1,165,819 74
July 1, 1950.....	Grand Trunk Western Rlrd.	4	New York or London	6,551,372 00
Oct. 1, 1950.....	Montreal & Province Line Rly.	4	New York	200,000 00
				$257,575,477 47

Recapitulation:

Payable in Canada	$110,500,000 00
Payable in New York	23,954,000 00
Payable in London	2,137,605 47
Payable in Canada, London, or New York	114,432,500 00
Payable in London or New York	6,551,372 00
	$257,575,477 47

Hon. Mr. LEGER: Is that the list of all the obligations that are to be substituted for those which are outstanding?

Hon. Mr. KING: I think so, yes.

If this Bill receives second reading now, it would be well to refer it to the Standing Committee on Banking and Commerce so that honourable members may have an opportunity of familiarizing themselves with its various sections.

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

REFERRED TO COMMITTEE

Hon. Mr. KING: I would now move that the Bill be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. MURDOCK: May I ask why this Bill, which is a railway Bill, should not go to the Standing Committee on Railways, Telegraphs and Harbours?

Hon. Mr. KING: It deals with finances, and I think it is proper that it should be referred to the Committee on Banking and Commerce.

The motion was agreed to.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION BILL, 1944

MOTION FOR SECOND READING POSTPONED

On the Order:

Second reading Bill 84, an Act for carrying into effect the agreement for United Nations relief and rehabilitation administration between Canada and certain other nations and authorities.

Hon. Mr. KING: Honourable senators, I would ask that this motion stand over until Tuesday next.

The Hon. the SPEAKER: Stand.

JUDGES BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 85, an Act to amend the Judges Act.

He said: Honourable senators, it will be recalled that at our last sitting before the Easter adjournment we passed a Bill for the appointment of an additional judge to the Exchequer Court of Canada. The object of the present Bill is to provide the salary for that additional judge, at $9,000 a year.

Hon. J. T. HAIG: Honourable senators, I wish to say a few words about the amount of the salary provided for by this Bill. While it may be true that if all the judges in Canada retired to-day their places could be filled to-morrow by equally capable lawyers, I feel that after income tax deductions are made our judges are not receiving enough remuneration. Only lawyers who practise in the courts can appreciate the significance of that. The layman may say: "The judge's salary is pretty good. I know many lawyers who do not make as much." But remember, these men sitting on the Bench have to decide a wide variety of questions, some of which are highly important. The very root of freedom rests in our judges, who must be men of much ability.

Some people may ask why it is important to see that our judiciary is well paid. Well, in Canada we have always followed the British theory, and I think rightly so, that a judge should have reasonable assurance of being able to accumulate a competency for himself, and for his wife, in the event that he should die first. I think that $9,000 would be sufficient for a judge of the Exchequer Court, if he got the whole amount; but after he pays his income tax he has about $5,000. As a rule he is dealing with important questions, and often the amount involved is large. Many of the issues coming before him concern disputes between the Government and an individual citizen—and the law is on the side of the Government.

I wish to make a general protest against the low salaries now being paid to our judges. Ten years ago I thought the remuneration was high enough, and I should still think so if the amount was received in full. It seems to me, honourable senators, we should seriously consider making representations to the Minister of Finance that judges are one class of people who ought to be allowed enough remuneration to maintain themselves absolutely above reproach. I am not suggesting that they can be influenced in any way—not at all—but I say it is not fair to ask a man to retire from active professional life and go on the Bench at a heavy financial sacrifice. Many of the lawyers who happen to have a bank account, bonds, or other assets did not make their money out of the practice of law. Clients often inform lawyers about opportunities to make money. But once a man is appointed to the Bench he is cut off from any such means of benefiting himself.

I do not think that any of our judges—whether on the Supreme Court of Canada, the Exchequer Court, or any of the provincial courts—are paid enough. There may be too many judges in some provinces. For instance, on the appeal court in each of the provinces of Manitoba, Saskatchewan and Alberta there

are five judges, and I believe that any one of those courts could handle all the appeals for the three provinces and not be too busy. These provinces are for the most part agricultural communities, and the matters coming before their courts are much alike.

The other day I read a newspaper item stating that a prominent labour man had complained that the salaries of our judges were too low. I agreed with him, but it struck me as rather queer that he had to call public attention to this situation.

I hope honourable members will suggest to the Minister of Finance the desirability of some amendment in the income tax law in favour of judges. He may not be able to have any amendment put through now while we are in the depths of a crisis—and I am not one who would urge a change at this time, for we may be within two or three months of the most critical period of the war—but I do say that after the war some consideration should be given to this matter.

It is an easy thing to say we are fighting to preserve freedom. The average lawyer who has had any practice in the courts knows that the administration of justice is one of the most important functions of a free people. I do not care how able your Attorney General or your Crown prosecutor may be; if the judge on the Bench has not the right character and the necessary ability, the administration of justice will not be as good as it should be. I do not expect ever to be a judge, but I do expect that some of my friends, fellow-lawyers, will be practising before judges for many years to come. If a man is good enough to be appointed to the Bench, he should be given at least a reasonably commensurate salary.

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

NATIONAL RAILWAYS AUDITORS BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 86, an Act respecting the appointment of auditors for National Railways.

He said: Honourable senators, the object of this Bill is to appoint auditors for the Canadian National Railways for the year 1944. All honourable members know it is necessary for Parliament to make such an appointment annually by joint resolution of both Houses. The present Bill follows the same pattern as the measure passed last session. On inquiry I find that the amount paid the auditors last year was $50,000, plus $1,800 for auditing the books and accounts of the air service.

Hon. Mr. BALLANTYNE: The same auditors this year?

Hon. Mr. KING: The same auditors.

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

OTTAWA AGREEMENT BILL

MOTION FOR SECOND READING POSTPONED

On the Order:

Second reading Bill 87, an Act to authorize an agreement between His Majesty the King and the Corporation of the City of Ottawa.

Hon. Mr. KING: Honourable senators, I would ask that this motion stand until Tuesday next.

The Hon. the SPEAKER: Stand.

ECONOMIC RECONSTRUCTION AND SOCIAL SECURITY

DEBATE POSTPONED

On the Order for resuming the debate on the motion of Hon. Mr. Beauregard with respect to economic reconstruction and social security:

Hon. Mr. HAIG: Honourable senators, I would ask that this order, which stands in my name, be not proceeded with to-day. The honourable the mover (Hon. Mr. Beauregard) is not present, and I do not wish to speak in his absence.

The Hon. the SPEAKER: Stand.

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

THE SENATE

Thursday, April 27, 1944.

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

Prayers and routine proceedings.

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 H3, an Act to incorporate Workers Benevolent Association of Canada.

He said: Honourable members, this Bill is reported by the committee with certain minor amendments.

The motion was agreed to.

THIRD READING

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

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

REPORT OF COMMITTEE

Hon. Mr. BLACK presented the report of the Standing Committee on Banking and Commerce on Bill O2, an Act to change the name of The Discount & Loan Corporation of Canada to Personal Finance Company of Canada.

The Hon. the SPEAKER: Honourable senators, when shall said Bill be read a third time?

Hon. Mr. BLACK: Now.

Hon. Mr. KING: Honourable senators, in the case of private bills, especially when they are amended, I think it would be better practice to allow them to stand over to another day.

The Hon. the SPEAKER: The rule is, of course, that they shall stand for one day, except with unanimous consent.

Hon. Mr. BLACK: There is no amendment to this Bill.

Hon. Mr. KING: Nevertheless, I think it is well to follow the rule unless the matter is urgent.

The Hon. the SPEAKER: Stand!

REPORT OF COMMITTEE

Hon. Mr. BLACK presented and moved concurrence in the report of the Standing Committee on Banking and Commerce on Bill P2, an Act respecting a certain patent application of Claude H. Peters.

He said: Honourable senators, this Bill also is reported with certain minor amendments.

The motion was agreed to.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. LAMBERT: Next sitting.

CANADIAN NATIONAL RAILWAYS REFUNDING BILL, 1944

REPORT OF COMMITTEE

Hon. Mr. BLACK presented the report of the Standing Committee on Banking and Commerce on Bill 64, an Act respecting the Canadian National Railways and to provide for the refunding of matured, maturing and callable financial obligations.

He said: Honourable senators, the committee reports this Bill without any amendment.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: Next sitting.

PRIVATE BILLS

REPORT OF COMMITTEE

Hon. Mr. TANNER presented the report of the Standing Committee on Miscellaneous Private Bills on Bill C. an Act to incorporate Wesleyan Methodist Church of America in Canada.

He said: Honourable senators, the committee has directed me to report this Bill without any amendment.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. MURDOCK: Next sitting.

REPORT OF COMMITTEE

Hon. Mr. TANNER presented the report of the Standing Committee on Miscellaneous Private Bills on Bill I3, an Act to incorporate the Executive Board of the Canada Conference of the Evangelical Lutheran Augustana Synod of North America.

He said: Honourable senators, this Bill is reported with several amendments, which are clerical and do not in any way affect any vital part of the Bill.

The Hon. the SPEAKER: Honourable senators, when shall this report be considered?

Hon. Mr. TANNER: Next sitting.

WATER METERS INSPECTION BILL

THIRD READING POSTPONED

Hon. Mr. KING moved the third reading of Bill 36, an Act to repeal the Water Meters Inspection Act.

Hon. J. ANTOINE LEGER: Honourable senators, if the position is correctly stated in the explanatory note, I am not against the purpose of the Bill; but I wonder whether we are taking the right course to the desired end. This is the second or third bill of this nature which has come before us. The explanatory note does not state whether the purpose for which presumably the Act was passed in 1905 has been served or not. If we pass this Bill we are, in effect, telling those who come after us that the statute was found to be useless and a nuisance, and therefore we got rid of it.

It seems to me that the proper procedure would be to set out in a preamble the reasons for the Bill. I wonder whether or not the Act was useful. It seems to me that when any commodity is sold by measure the meters should be subject to inspection. If, for example, water is sold by measure its measure-

ment should be regulated in the same way as are other commodities, such as sugar, tea, or anything else.

An Hon. SENATOR: Liquor.

Hon. Mr. LEGER: That is right, too. Instead of seeking to repeal the Act, I think it should be re-enacted to form part of the Weights and Measures Act. But I doubt very much whether what is sought to be repealed is in fact a statute. Apparently, since it never was proclaimed, the legislation never came into effect, and consequently to attempt to repeal that which does not exist seems to me very much like whipping the wind, and the word "repeal" is absolutely out of place. I hope that in future when dealing with similar cases the explanation will appear in the form of a preamble to the Bill, with an enacting clause to the effect that the so-called Act be expunged or stricken from the Statute Book. The point is not very important, but I think honourable members will agree with me that we should always be careful to proceed in the right way.

Hon. J. H. KING: Honourable senators, I do not wish to enter into a discussion with my honourable friend from L'Acadie (Hon. Mr. Léger) with respect to procedure. I may say, however, that, like him, I do not see why we should not meter water as we do electricity and other commodities. The Minister tells me that no demand for the metering of water has ever come before the Department, the explanation being that the metering is done by municipalities under municipal regulations. Although the Act has been on the Statute Book since 1905, it was not brought into effect by proclamation, there being no requirement for it. When in 1927 the statutes were revised, the proclamation feature was dropped. However, as the Bill has been passed by the other House, I would suggest that the Senate agree to the motion for third reading, on the understanding that the remarks of the honourable member from L'Acadie be brought to the attention of the authorities.

Hon. J. A. CALDER: Honourable senators, the point raised is worth while considering. As I understand it, the Department of National Revenue has jurisdiction over electricity, gas and other metered commodities, and the meters are inspected periodically. It may be that up to date no municipality has had a water-metering system, but the mere fact that no application has been made to the Department for inspection does not mean that to-morrow there may not be one or more municipalities supplying metered water. I think this Bill should be referred to, say, the Banking and Commerce Committee, so that officials of the Department may make the situation a little clearer before we take final action.

Hon. Mr. MURDOCK: This is a motion for third reading. The argument should have been presented on the motion for second reading.

Hon. Mr. KING: I would suggest that the Bill stand over until next week.

The Hon. the SPEAKER: Stand.

JUDGES BILL

THIRD READING

Hon. Mr. KING moved the third reading of Bill 85, an Act to amend the Judges Act.

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

NATIONAL RAILWAYS AUDITORS BILL

THIRD READING

Hon. Mr. KING moved the third reading of Bill 86, an Act respecting the appointment of auditors for National Railways.

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

PRIVATE BILL

SECOND READING

Hon. ARISTIDE BLAIS moved the second reading of Bill T3, an Act respecting the General Missionary Society of the German Baptist Churches of North America, and to change its name to the North American Baptist General Missionary Society.

He said: Honourable senators, the purpose of this Bill is set out in the title.

By clause 1 the name of the society is changed and all its rights and liabilities reserved.

In their petition the society represents that:

(a) The word "German" as part of the title is no longer indicative either of the constituency served or of the Christian Missionary work done by the society, as many thousands of its members are not even of German descent, and the German language no longer is used by a majority of its members.

(b) By far the larger percentage of the work done by the society is in the English language.

(c) The continued use of the word "German" in the name of the society has proved, and is proving, a hindrance and a handicap to its work.

If the motion is agreed to I shall move that the Bill be referred to the Miscellaneous Private Bills Committee, before which a representative of the society will appear and furnish such additional information as the committee may require.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Blais, the Bill was referred to the Standing Committee on Miscellaneous Private Bills.

PRIVATE BILL

REPORT OF COMMITTEE

Hon. Mr. COPP moved consideration of and concurrence in the amendments made by the Standing Committee on Railways, Telegraphs and Harbours to Bill R2, an Act to incorporate Fundy Air Lines.

The motion was agreed to.

THIRD READING

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

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

DIVORCE BILLS

REPORTS OF COMMITTEE

Hon. Mr. SINCLAIR, for the Chairman of the Committee on Divorce, moved consideration of the committee's 64th to 69th reports, inclusive.

Hon. Mr. HARDY: Have these reports been distributed yet? I believe not. I do not think we should consider them until we have the reports in our hands—not that it is a matter of very great importance, perhaps, as many honourable members do not read them, but as a matter of order and proper form.

The Hon. the SPEAKER: Stand.

Hon. Mr. SINCLAIR: Honourable senators, these are reports from the committee. The official evidence is the transcript by the reporters, and is in the hands of the Clerk of the Senate. It is not distributed until printed copies are received from the Printing Bureau; but when the evidence is in the hands of the Clerk, that is considered to be a compliance with the rules, and quite in order.

Hon. Mr. MURDOCK: Then any of us who are interested in one of these divorce cases have to go to the Clerk to ascertain and analyze what the committee is recommending.

Hon. Mr. HAIG: No, no. This is only a report of the committee. When the report is adopted, the bill comes before the House, and before we can give it second reading the report of the evidence must be in our hands.

Hon. Mr. MURDOCK: That is fine! I am glad to hear my honourable friend from Winnipeg say that, because on the 31st of March, when we adjourned, we gave first, second and third readings to divorce bills, the record of which was not in our hands for five days afterwards.

The order before us is for the consideration of the sixty-fourth report. Have I the right to look at the sixty-fourth report? I am told that the rules do not contemplate that I shall have everything before me before I vote. Nonsense! I realize that the most important rule relating to this question has not been applied in the Senate of Canada for 30 years. In proof of that we have the statement of the Chief Clerk of Committees, made to my seat-mate and myself some time ago. But I for one object when neither I nor any other members of the Senate have it, and I object to what we did on the 31st of March, in giving the first, second and third readings to five divorce bills, I think it was.

The Hon. the SPEAKER: It would be quite in order for any honourable senator to object to the consideration of a bill before the evidence taken before the committee was printed and distributed. As regards the report of the committee, however, it is a question of expediency. There is nothing in the rules of the Senate to prevent the consideration of a report of the committee, even though the evidence has not been printed and distributed. Honourable senators may decide whether they will consider the report now or later, but there is no rule to prevent consideration of the report now.

Hon. Mr. MURDOCK: Then, your Honour, is this language not clear: "Consideration of the sixty-fourth report"? Who is considering it? I am not considering it, because I have not got it before me, nor has any other honourable member of this House. I know that this apologetic interpretation has been made use of before.

Hon. Mr. SINCLAIR: It is a statement of the rules.

Hon. Mr. MURDOCK: An interpretation of the rules by Beauchesne would not sustain it, and we all bank on Beauchesne. Nevertheless, some honourable members want to rush things through, as they did the first, second and third readings on the 31st of March, without having the record before them. If we are to be a rubber stamp, "Go ahead," I say; but if we are going to do business in compliance with the rules, let me have a chance to consider the sixty-fourth report, and do not jam it down my throat without giving me some information.

Hon. Mr. COPP: Honourable senators, what we are asked to consider to-day are reports

from the Divorce Committee, which has heard the evidence. If the reports are accepted by the House, then bills will be introduced on the basis of the reports. All the evidence adduced before the committee will be presented before the bills are considered. Adoption of a report does not mean that there will be a divorce; it means merely that a bill to grant a divorce will be founded upon the report.

The reports which appear on the Order Paper for consideration were before the House yesterday, and by unanimous consent were put down for consideration to-day. Personally I do not care what happens to them. We are following the usual and, I think, proper practice, and when the bills come before the House for consideration any honourable senator will have a right to object to the divorces being granted.

The Hon. the SPEAKER: I should like to point out to honourable senators that the reports in question have been presented to the House, and each and every one of them appears in our printed Minutes of Proceedings. The evidence is not generally printed and distributed before the introduction of the bill. The only rule relating to this which I can find in the Standing Orders of the Senate is rule 135, which reads:

> Evidence taken before the committee shall be printed apart from the Minutes of Proceedings of the Senate, and only in sufficient numbers for the use of senators and members of the House of Commons, that is to say, one copy for distribution to each senator or member, ten copies for the parties and their counsel, and twenty-five copies to be kept by the Clerk of the Senate for purposes of record and reference.

Reference has been made to the speed with which the Senate disposed of several divorce bills the other day. Any honourable senator could have objected at that time to the second reading or the third reading; but as nothing of the kind was done, it was quite in keeping with the Standing Orders that the Senate, by unanimous consent, should proceed with the second and third readings.

The reports now before the Senate have all been printed in the Minutes of Proceedings, which appear together with to-day's Order Paper.

Hon. Mr. MURDOCK: Your Honour, that will surely be a very nice statement to go out to some people who are interested in this matter. We are asked to consider the sixty-fourth report, and all we have got is the indication to which you refer, that a few days ago Tom, Dick or Harry was asking for a divorce. That is all we have. That is the sixty-fourth report. I know we have been doing this sort of thing right along. I know also it has been claimed that the Senate has not much to do. That is one of the reasons. Yesterday we met for 45 minutes, and the day before for 45 minutes. To-day we are just running by the record and saying, "Never mind the rules at all; just let us clear up and get out of here." I have nothing more to say.

The Hon. the SPEAKER: I should like to point out that there is nothing in the rules governing this. It is a matter of expediency, and is in the hands of honourable senators themselves to determine whether or not they shall proceed to-day with the consideration of these reports. There is nothing in the rules to prevent the Senate proceeding; there is nothing in the rules to prevent the Senate letting these orders stand until another day. As I say, the question is entirely within the power of the Senate.

Hon. Mr. MURDOCK: Would your Honour kindly let them stand, and would you allow me to suggest that you have not read the proper rule? I shall read one of the divorce rules which will prove that the position your Honour is taking is wrong.

Hon. Mr. EULER: Honourable senators, as a member of the Divorce Committee, and one who ordinarily does not object on any technicality in connection with any business that comes before the House, may I say that I think our rules might very well be amended, as the rules of the other Chamber are going to be. I have a certain sympathy with the honourable senator who objects. It does not seem to me very logical for members of this Chamber to consider a report which—I shall take as an example the one we are dealing with—just says this:

> With respect to the petition of Margaretha Bernhard Cronauer, of the city of Montreal, in the Province of Quebec, seamstress, for an Act to dissolve her marriage with Joachim Cronauer, the committee find that the requirements of the Rules of the Senate have been complied with in all material respects, except Rule 140 respecting payment of the Parliamentary fees.

Then, without any basis, clause 2 proceeds:

> The committee recommend the passage of an Act to dissolve the said marriage.

If the House adopts this it puts itself on record as being in favour of the passage of an Act to dissolve the marriage without having anything whatever on which to base its conclusion or opinion. That to me does not seem quite logical.

While as a matter of fact I do not like to delay the proceedings, I may say that we all know what, in all probability, is going to happen—that the House will be willing to place the responsibility on the committee

which heard the evidence—because as a rule we pass these bills without any discussion at all. But I do say that it does not seem consistent for the House to say here and now that it recommends the passage of an Act to dissolve a marriage, when we have so far had no opportunity whatsoever to consider the evidence on which such a bill would be based.

Hon. Mr. COPP: When will the House ever have an opportunity to consider the evidence?

Hon. Mr. EULER: After the evidence is available for honourable members to read.

Hon. Mr. CALDER: Exactly the same procedure takes place in connection with the report of every committee. For instance, the other day the Banking and Commerce Committee presented two or three reports, each recommending that a bill should be passed with certain amendments, and we were asked to concur in these reports, although we did not know what the amendments were.

Hon. Mr. EULER: That procedure was just as wrong as this.

Hon. Mr. CALDER: Not at all. It is only a question of procedure. Every honourable member knows that after we adopt a report of that kind the bill in question, with its amendments, will be printed and distributed. In the case of a Divorce Committee report, after it is adopted a bill is printed and distributed, along with the evidence taken before the committee, and we have the whole thing in our hands before we are called upon to vote on the motion for second reading of the bill. The procedure with respect to reports presented from committees is the same as it has been since Confederation.

Hon. Mr. HARDY: The Banking and Commerce Committee, or any other such committee, simply reports in favour of a bill, or of a bill as amended, but a Divorce Committee report recommends the passage of an Act. There is a great difference between the two kinds of reports.

Hon. Mr. CALDER: There is no difference. A committee's report on a bill may recommend certain amendments, in which we are asked to concur.

Hon. Mr. MURDOCK: But we are asked to consider Divorce Committee reports "together with the evidence taken before the said committee."

Hon. Mr. EULER: Honourable senators, may I speak once more on this matter? We are told that we can vote for or against a divorce bill when it comes before us. But if we have previously concurred in the committee's report we have already gone on record as favouring the passage of that bill.

Hon. Mr. KING: Oh, no.

Hon. Mr. EULER: Clause 2 of the Divorce Committee's sixty-fourth report, for instance, reads:

> The committee recommend the passage of an Act to dissolve the said marriage.

So if we adopt that report we place ourselves on record, before we see the bill, as being in favour of the passage of an Act. There is no getting away from that, for it is stated there in black and white.

Hon. Mr. HAIG: As the Honourable the Speaker has intimated, the question is purely one of practice. In this House the practice has always been to consider the merits of divorce bills, as of other bills, on the motion for second reading. Any honourable member who objects to the granting of any particular divorce can vote against it when the bill comes up for second reading. Before that stage is reached, the committee's report, together with the evidence taken at the hearing, is distributed to all honourable members. No one has ever been regarded as having bound himself to support a divorce bill because he has voted for the adoption of the committee's report recommending the bill.

The honourable member from Parkdale (Hon. Mr. Murdock) has objected several times to certain divorce bills. My memory is that on each occasion he has expressed his objection when the motion for second reading of the bill was before the House. By that time he had had an opportunity to read and digest the evidence. That is in accordance with the procedure which we have always followed, and in my opinion it is simpler and more intelligent to follow that procedure than to consider the merits of a bill on the motion to adopt the committee's report. Adoption of a committee's report has never been held to bind a legislative chamber in the sense that adoption of the motion for second reading does.

Hon. Mr. MURDOCK: Will the honourable gentleman please deal with the matter now before us? We are asked to consider these reports of the Divorce Committee "together with the evidence taken before the said committee."

Hon. Mr. HAIG: I admit quite freely that if honourable members wish to discuss these divorce petitions at this stage, it is quite within their right to do so. The point I wish to make is that our practice has been to postpone discussion of the merits of a bill until we come

to the motion for second reading. I think that the practice we have followed so far is much better than the one that seems to be suggested now, and I believe that if we made a change we should return to the present practice within a short time.

When I was a member of our provincial Legislature I had some experience with parliamentary rules, and my opinion, for what it is worth, is that whatever procedure we prefer for divorce bills can be provided for in our rules. His Honour the Speaker is absolutely correct in pointing out that the matter is entirely within the control of the House. It really will make no difference which procedure we follow. If the merits of petitions are discussed at the report stage, there need be no further discussion when the bills are brought down. By adopting these reports we do not preclude ourselves at all from free discussion on the motion for second reading of any bill. And at the second reading stage we shall have the evidence before us.

My honourable friend said that one day this session a number of divorce bills had been put through more than one stage. Incidentally, it is improper to refer in such way to something done in the current session.

Hon. Mr. MURDOCK: Why?

Hon. Mr. HAIG: Because it is against the rules. The point is that we dealt with those bills speedily in order to get them before the House of Commons as soon as possible.

Let no one say that any honourable member of the Senate likes this divorce business. Not one of us likes it. To meet the existing situation, divorce petitions are presented to us, and we have to deal with them as best we can. It is, if I may say so, a little discreditable to the Parliament of Canada to have to handle business of this kind.

Hon. Mr. MURDOCK: Hear, hear.

Hon. Mr. HAIG: But somebody has to attend to it. Apparently the present procedure is in line with what has been going on since Confederation.

Hon. Mr. MURDOCK: If we have to do this work, then let us do it according to the rules.

Hon. Mr. HAIG: The House makes its own rules. I think we should follow our usual procedure and adopt these reports, but if a majority of honourable members prefer to change the procedure there is nothing to prevent them from doing so.

Hon. Mr. EULER: Honourable senators, at the risk of violating the rules against speaking too often, may I repeat that my objection to the motion is that by adopting these reports we commit ourselves as being in favour of the passage of Acts granting the divorces applied for. That does not seem to me to be quite logical. I was wondering if we could not overcome the difficulty by moving that the reports be received.

Hon. Mr. STEVENSON: What is the difference?

Hon. Mr. EULER: There is a considerable difference. The present motion is that the reports be adopted. By voting to receive a report, we do not necessarily adopt it.

Hon. Mr. BALLANTYNE: What serious objection is there to recommending the bills?

Hon. Mr. EULER: If we recommend them now, we place ourselves on record as in favour of passing bills which we have not yet seen.

Hon. Mr. KING: Oh, no.

The Hon. the SPEAKER: Honourable senators, some confusion has probably been caused by the special rule governing the introduction of divorce bills, as distinct from other private bills. Rule 113 says:

> Every private bill is introduced on petition, and presented to the Senate after the petition has been favourably reported on by the Committee on Standing Orders.

But the procedure with respect to divorce bills is different. Rule 133 provides:

> All petitions for divorce and all matters arising out of petitions for, or bills of divorce, shall be referred to the Standing Committee on Divorce. . . .

The way in which bills are handled is a matter of practice as expressed in the rules. Adoption of a report from the Divorce Committee does not commit the House as being in favour of the principle of the bill that follows. It is simply a matter of practice. No honourable member may introduce a private bill until a petition for leave to introduce has been presented to the Senate and approved. A petition praying for a bill to dissolve a marriage must be referred to the Committee on Divorce, and when that committee reports favourably on a petition it is, in effect, only recommending that leave to introduce a bill be granted. After its introduction, a divorce bill, like any other bill, is subject to consideration on its various stages.

Hon. Mr. MURDOCK: But I would again draw your Honour's attention to the fact that these Orders call for consideration of reports of the Committee on Divorce "together with the evidence taken before the said committee." Have we got that evidence?

Hon. Mr. SINCLAIR: Yes, we have. Honourable senators, there is some confusion about this matter. Rule 143 shows clearly

that the procedure we are following this afternoon is perfectly correct. Rule 142 provides, among other things, that the committee shall proceed "to hear and inquire into the matters set forth in the petition." Then Rule 143 says:

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.

3. If the report recommends the granting of relief to the petitioner it shall also be accompanied by a draft, approved by the committee, of a bill to effect such relief.

4. The minority may bring in a report stating the grounds upon which they dissent from the report of the committee.

And Rule 144:

Upon the adoption of the report of the committee, the bill may be presented and read a first time; and thereafter no further reference to the bill to the committee shall be necessary, unless so ordered by the Senate.

The procedure in regard to these reports is entirely in keeping with the rules. If those rules are not satisfactory to honourable members, we should take steps to amend them.

Hon. Mr. MURDOCK: Might I digress by referring to rule 141. It reads as follows:

The petition when presented to the Senate—

This is the Senate, I think.

—shall be accompanied by the evidence of the publication of the notice as required by Rule 136, and by declaration in evidence of the service of a copy of the notice and of a copy of the petition as provided by Rule 137. The petition, notice, and evidence of publication and service, and all papers connected therewith shall thereupon stand as referred, without special order to that effect, to the Standing Committee on Divorce.

Surely the Senate is entitled to some of these things, although I know that for thirty years—

Hon. Mr. ASELTINE: It has all been done.

Hon. Mr. MURDOCK: —it has not been done in many cases.

Hon. Mr. ASELTINE: It has been done in this case.

Hon. Mr. SINCLAIR: Rule 141 has to be complied with before the petition comes before the committee at all.

Hon. Mr. MURDOCK: I am talking of the Senate. The petition is presented to the Senate. The rule reads:

The petition when presented to the Senate shall be accompanied by the evidence of the publication of the notice—

Hon. Mr. SINCLAIR: Certainly.

Hon. Mr. MURDOCK: I know many people think we are just a lot of fussy old men who want to do nothing but get out of here. But I am trying to emphasize that the rules mean something and should be observed. In March we gave first, second and third readings to certain bills, with respect to which we did not get the evidence or even a scrap of paper until five days later.

Some Hon. SENATORS: Question!

The Hon. the SPEAKER: The question is on the motion made by Hon. Senator Copp, seconded by Hon. Senator Sinclair, that the various reports of the Standing Committee on Divorce, appearing on the Order Paper as Orders Nos. 6 to 10, inclusive, be now considered. Is it your pleasure to adopt the motion?

Some Hon. SENATORS: Carried.

Hon. Mr. MURDOCK: Your Honour, I distinctly object. It is contrary to the rules.

Hon. Mr. COPP: I object to that statement. You, Mr. Speaker, have already given your ruling.

The Hon. the SPEAKER: I have ruled that there is no rule which would prevent the Senate in its discretion from considering and adopting these reports.

The motion was agreed to, on division.

LAUER DIVORCE BILL

REFUND OF PARLIAMENTARY FEES

Hon. Mr. COPP moved that the sixty-ninth report of the Standing Committee on Divorce, to whom was referred the petition of Ruth Steinwold Lauer, praying for refund of the parliamentary fees, be now considered and concurred in.

The Hon. the SPEAKER: Is it your pleasure to adopt the motion?

Hon. Mr. MURDOCK: Your Honour, I find no such language on my Order Paper. Am I reading from the same document as you are?

The Hon. the SPEAKER: Order No. 11.

Hon. Mr. MURDOCK: Yes. All this says is:

Consideration of the sixty-ninth report of the Standing Committee on Divorce, to whom was referred the petition of Ruth Steinwold Lauer, praying for refund of the parliamentary fees.

The Hon. the SPEAKER: That is what I read.

Hon. Mr. COPP: The report was filed yesterday.

Hon. Mr. MURDOCK: Have we not the right to know why any refund should be made?

Hon. Mr. HAIG: We have already passed the Bill. This motion is for a refund of the fees.

The motion was agreed to.

ECONOMIC RECONSTRUCTION AND SOCIAL SECURITY

DEBATE CONTINUED

The Senate resumed from March 31 the adjourned debate on the motion of Hon. Mr. Beauregard:

That it is expedient that this House should get ready without delay to study the legislation which will be brought before it—constructive or remedial legislation—intended to safeguard, immediately after the termination of war production, the economic life in each of the provinces of the country; and for this purpose to constitute among its members a committee of economic studies, as representative as possible, which would be empowered to investigate the normal production in each province, the standard of living, the employment capacities, the conditions of labour, the openings, and, for this purpose, to invite and hear representatives from farmers, labourers, transport companies, the industrial and commercial world concerning their preparation and their concrete projects for the post-war.

Hon. JOHN T. HAIG: Honourable senators, this important resolution may be divided into two parts. The first part reads:

That it is expedient that this House should get ready without delay to study the legislation which will be brought before it—constructive or remedial legislation—intended to safeguard, immediately after the termination of war production, the economic life in each of the provinces of the country;

That "constructive or remedial legislation" is included in the announcement which the Prime Minister made the other day that certain further legislation will be brought down this session. The legislation will be studied when it comes before us. I do not think we need a committee for the purpose.

The second part of the resolution is altogether different. It reads:

and for this purpose to constitute among its members a committee of economic studies, as representative as possible, which would be empowered to investigate the normal production in each province, the standard of living, the employment capacities, the conditions of labour, the openings, and, for this purpose, to invite and hear representatives from farmers, labourers, transport companies, the industrial and commercial world concerning their preparation and their concrete projects for the post-war.

We have had in this House, under the chairmanship of the honourable senator from Ottawa (Hon. Mr. Lambert), and in the House of Commons, under the chairmanship of Mr. Turgeon, the member for Cariboo, a thorough examination of these matters. Everyone knows what serious problems will confront all the world following the present terrific struggle. A severe world-economic dislocation followed the 1914-18 struggle, but that dislocation was on a small scale compared with what we shall have to face after the Allied nations win this war. I appreciate what the honourable senator from Rougemont (Hon. Mr. Beauregard) has done in bringing to our attention in a very forceful way these after-war problems. Our public debt will be larger than it has ever been before, far larger than any of us ever imagined twenty or thirty years ago that Canada could carry. Our industrial capacity has increased beyond our fondest dreams of ten or even five years ago, and this in its turn has brought about certain economic changes. It is well that these things should be brought to our attention.

Then there is the important question of an adjustment of the relationship between the Dominion and the provinces. I take second place to no one in my desire that the rights of the provinces shall not be interfered with. But we must remember that during the last war Canada advanced constitutionally by leaps and bounds. We were recognized as one of the important nations of the world, and we joined our Allies of those days in signing the treaty of peace. True, the Statute of Westminster came later, but it was really declaratory of a status that had already been recognized. We are again in a similar position. The Prime Minister of Canada is, I presume, now in London to confer with the other Prime Ministers of the Commonwealth in regard to post-war policies.

I do not believe that at this stage the Senate should discuss the question of Dominion-provincial relations. And I will tell you why. Within the next three or four months there is to be a conference between the provinces and the Dominion at which these matters will be discussed. The two Central Provinces are in a much stronger economic position than the other seven provinces. We cannot have a great country unless all its parts are great. In other words, we cannot have a great country if only the Central Provinces are prosperous and the other provinces are in economic trouble. This undoubtedly will be brought very forcibly before the Government when the projected conference takes place.

And the very nature of the problems arising out of the war will force us to reconsider the relationship of Canada as a whole to itself. The Senate is not the place to take that into consideration, for the reason that we in this House represent minorities. In the House of Commons 147 members represent the Central Provinces and 98 the other seven provinces; while in this House the relative figures are 48 and 48. One reason for this equal division of our membership between the two sets of provinces is that the smaller provinces might have some body which would at least give them an even break in considering their problems. We are not a body elected by popular vote; we are, rather, an appeal body; and it is our duty to hold the scales evenly between the different parts of the Dominion. If Canada is to be a great united nation it will never be united so much by the House of Commons as by the Senate, for the reasons I have already stated; that is, the equality of our representation as between the two sets of provinces and our not having to seek re-election by popular vote. As a member of the Senate for Manitoba, I have no fear whatever that, say, the honourable senator from Waterloo (Hon. Mr. Euler), or the honourable senator from Leeds (Hon. Mr. Hardy), or any honourable senator from Quebec would deal otherwise than fairly with Manitoba, Alberta, Saskatchewan, British Columbia, New Brunswick, Nova Scotia or Prince Edward Island. I do not suggest they would act to the prejudice of these provinces; but even if they wanted to they could not, simply because we have as many votes as they have.

I do not think this resolution should be proceeded with. After the House of Commons has dealt with any constructive or remedial legislation based on reports of its committees, and that legislation reaches us, if we do not think it is fair to the smaller provinces we shall have to reject it. Certainly we are not the body to introduce such legislation. Therefore I suggest to the honourable senator that he do not press his motion. If he does, I must say quite candidly that for the reasons stated I shall be compelled to vote against it. I appreciate the earnestness of the honourable senator and his desire to find a solution for the problems that will face us after the war, problems whose solution will tax the combined brains not only of the members of the Senate and the House of Commons, but of all the people of Canada. To press this resolution would, I believe, only make more difficulty for the Government. I do not want anybody to think that I am a supporter of the Government.

Hon. Mr. HAIG.

An Hon. SENATOR: No danger.

Hon. Mr. HAIG: Do not think I am trying to keep the Government out of danger.

Hon. Mr. HARDY: We are a little suspicious.

Hon. Mr. MURDOCK: You are not doing badly.

Hon. Mr. HAIG: I am concerned more about Canada, as all of us should be. Therefore I would suggest to the honourable member (Hon. Mr. Beauregard) that he consider these representations, for I believe the more he considers them the more satisfied he will be that he has done this House a good service by bringing to the attention of the people of Canada the problems we shall have to face after the war, and that the matter should now be allowed to drop.

Should the legislation brought down by the Government, or the deliberations of the conference that is to take place, lead nowhere, and if nothing is done before another session—I doubt if the war will be over then—it will be time enough for us to force the Government or the House of Commons to take some action. For these reasons I suggest that between now and next week the honourable member consider the matter; and if he does so, I think he will be prepared to withdraw his motion.

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

DIVORCE BILLS

FIRST READINGS

Hon. Mr. COPP, for the Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill U3, an Act for the relief of William Cowie.

Bill V3, an Act for the relief of Nita Marjorie Hammerich Ward.

Bill W3, an Act for the relief of Margaret Kirsen Brown MacRae.

Bill X3, an Act for the relief of Margaretha Bernhard Cronauer.

Bill Y3, an Act for the relief of Henry Rattigan.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I would move that when the Senate adjourns to-day it do stand adjourned until Tuesday, May 2, at 8 o'clock in the evening.

The motion was agreed to.

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

THE SENATE

Tuesday, May 2, 1944.

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

Prayers and routine proceedings.

WATER METERS INSPECTION BILL

THIRD READING

Hon. Mr. KING moved the third reading of Bill 36, an Act to repeal the Water Meters Inspection Act.

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

PRIVATE BILLS

THIRD READING

Hon. Mr. LAMBERT moved the third reading of Bill O2, an Act to change the name of The Discount & Loan Corporation of Canada to Personal Finance Company of Canada.

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

THIRD READING

Hon. Mr. LAMBERT moved the third reading of Bill P2, an Act respecting a certain patent application of Claude H. Peters.

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

CANADIAN NATIONAL RAILWAYS REFUNDING BILL, 1944

THIRD READING

Hon. Mr. KING moved the third reading of Bill 64, an Act respecting the Canadian National Railways and to provide for the refunding of matured, maturing and callable financial obligations.

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

PRIVATE BILL

THIRD READING

Hon. Mr. HAYDEN moved the third reading of Bill C, an Act to incorporate Wesleyan Methodist Church of America in Canada.

Hon. Mr. BALLANTYNE: Honourable senators, as the sponsor of this Bill (Hon. Mr. Hayden) was not present when it was given first and second readings, I should like to have an explanation of the Bill from him now.

Hon. Mr. HAYDEN: Honourable senators, an explanation of this Bill was given in the Private Bills Committee, but I am perfectly ready to explain it here. The purpose of the Bill is to give legal entity to a church organization that has existed in Canada for at least forty-seven years. That organization is a member of the Wesleyan Methodist Church of America Conference, and I understand it takes its discipline and doctrine from the Conference. The American organization is an incorporated body that has existed since 1860, and the Canadian organization dates from about 1897. There are about fifteen churches in Ontario, and possibly three or four in the province of Quebec.

The main object of the Bill is to establish an incorporated body for the purpose of holding property. At the present time the various church buildings are carried in the names of the members of the congregations, as trustees, and in consequence changes are necessary from time to time. The Law Clerk of the Senate stated that he had no objection to the form of the Bill. It is a standard form that has been used a number of times for similar purposes.

Hon. Mr. BALLANTYNE: My reason for rising was that I had been under the impression that when the United Church of Canada was formed, the Wesleyan Methodists were included in that union.

Hon. Mr. HAYDEN: No.

Hon. Mr. MURDOCK: The sponsor of this Bill (Hon. Mr. Hayden) has informed us that in Ontario there are fifteen churches of this denomination. I did not know there were so many. It will be observed that all the promoters, namely, Stanley William Blanchard, James Alexander Bain, Edward William Tokley, Russell Leroy and Jacob Hamilton Weaver, are of this city. Evidently they are all members of the little church on Sunnyside avenue here, and I think it rather strange that they did not get some members from the other fourteen churches to endorse the Bill.

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

PRIVATE BILL

REPORT OF COMMITTEE CONCURRED IN

Hon. Mr. TANNER moved concurrence in the report of the Standing Committee on Miscellaneous Private Bills on Bill I3, an Act to incorporate the Executive Board of the Canada Conference of the Evangelical Lutheran Augustana Synod of North America.

The motion was agreed to.

THIRD READING

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

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

UNITED NATIONS RELIEF AND REHABILITATION BILL, 1944

MOTION FOR SECOND READING—DEBATE ADJOURNED

Hon. J. H. KING moved the second reading of Bill 84, an Act for carrying into effect the agreement for United Nations relief and rehabilitation administration between Canada and certain other nations and authorities.

He said: I have no doubt that honourable senators have familiarized themselves with the agreement scheduled to this Bill. The draft agreement, tabled last June, was the result of discussions between the four major powers, Great Britain, the United States, the Union of Soviet Socialist Republics and the Republic of China. The final agreement was signed by forty-three powers. These powers, I may add, represent 80 per cent of the population of the world.

The first meeting of the Council set up under the agreement was held at Atlantic City last November. The second meeting is to be held in Montreal next June. The Council meets twice yearly, and more frequently when so directed by the Central Committee.

Apart from the war measures which we have passed for the assembling, training, equipping and placing of our fighting forces in the war areas, I believe this Bill is probably one of the most important that Parliament has been asked to consider during the last five sessions.

This agreement symbolizes to some extent what was in the minds of President Roosevelt and Prime Minister Churchill when they drew up that historic document now known as the Atlantic Charter.

Many men who were engaged in the fighting and administrative forces of the last great war will recall what was then found necessary in the way of relief for the distressed nations of Europe. It was to be expected that our leaders in this great conflict would try to anticipate the necessity of the arrangement embodied in this Bill. After the armistice at the end of the last war a body known as the Supreme Economic Council was set up, of which Mr. Herbert Hoover, United States Food Administrator, and later President of the United States, was chairman. He directed and had charge of the administration work. At that time the cost, totalling $377,000,000, was met by gifts from governments and individuals; also, purchases were made amounting to $520,000,000, and loans advanced to the extent of $1,423,000,000. In addition, credits were allowed to Allied governments by the United States of America.

Having in mind the experience of the last war and the greater magnitude and extent of the present conflict, I think it will be readily agreed that on this occasion an even greater effort will have to be made than was made after the last war. When the present war broke out in 1939, Great Britain, France and Poland were the three powers contending against Germany and Italy. As hostilities progressed other nations became involved. With their entrance into the war—I refer particularly to Russia and the United States—a group of nations known as the United Nations of the world came into an accord, and to-day they are opposing and fighting those who advocate a form of government which we in this country would not tolerate. It is that group of nations who are parties to this agreement.

Under the agreement a Council has been set up, and in addition there is a Central Committee composed of representatives of Great Britain, the United States, Russia and China. By unanimous vote of the Council at Atlantic City in November, Mr. Lehmann, former Governor of the State of New York, was appointed chairman of this Central Committee, and he is now engaged in Washington in building up an administrative staff to carry on the work. It is proposed that the organization should be prepared, after the success of our arms and the expulsion of the enemy from various countries, to move in and undertake to relieve, as far as is humanly possible, the conditions they will almost certainly meet there. With the scientific knowledge we have it is believed that through the distribution of supplies by a competent staff much can be done to prevent epidemics which might otherwise become very serious and result in the loss of many millions of lives. As to food supplies alone, it would not be an exaggeration to say that if we fail in our duty the probability is that millions of people will die of starvation. From information available to us we know that in overrunning these countries the enemy has deliberately taken from the people all the excess food supplies, leaving them only the barest necessities upon which to exist. We know also that if the enemy, as he is forced to retire, practises the same scorched-earth policy which he has followed in certain countries, there will be little in the way of food and nourishment for the people who are left behind after his retirement. It is important, therefore, that this agreement be brought into effect, to enable the United Nations to supply the needs of these people and meet the other problems incidental to re-establishing them in their ordinary ways of life.

At its Atlantic City meeting last year the Council appointed a Food Committee, the chairman of which is Mr. L. B. Pearson, a

Canadian who has been associated with our Embassy in Washington. We are fortunate in having a man of such high character and ability in this position, for we shall find, I think, that the responsibility for food and supplies of that nature will largely devolve upon the Americas, particularly Canada, the United States and the Republic of Brazil.

A committee set up in London in 1942 made a report in 1943, in which they estimated that the food requirements for Europe in the first six months after the Armistice would be twenty-three million tons, exclusive of the requirements of the Soviet Union. Of this quantity it was estimated that some fourteen million tons would have to come from overseas. Sir Frederick Leith Ross, the chairman of the committee, which is being disbanded, now becomes the Deputy Chairman of the European Committee.

So far I have spoken only of the countries of Europe. A tremendous problem will develop also in the Far East. This has not yet received as much consideration as the European problem has, but as Australia, New Zealand, India and other countries in that part of the world are signatories of this agreement, no doubt they will give much in the way of supplies to meet the requirements of the peoples of the East, especially those of China. We know that when the time arrives to come to the relief of that country the undertaking will be a tremendous one.

The Bill itself is concise. It merely states, in clause 2, sub-clause (1) that:

> The Governor in Council may make such appointments, establish such offices, make such Orders in Council, and do such things as appear to him to be necessary for carrying out the agreement set out in the schedule to this Act or any resolutions of the Council of the United Nations Relief and Rehabilitation Administration or its committees in carrying out the provisions of the agreement.

And in sub-clause 2.

> Any interim expenditures, not exceeding ten million dollars, incurred in carrying out the said agreement, may be defrayed out of moneys provided under the War Appropriation (United Nations Mutual Aid) Act, 1943. All other expenditures incurred in carrying out the said agreement shall be defrayed out of moneys provided by Parliament.

What we really have to consider here to-night is the approval and voting of a sum of $10,000,000 in order that Canada may be in a position to carry out the preliminary phases of her obligations under the agreement signed in November of last year.

I have no reason and no desire to extend my remarks. I am hoping that other members of this Chamber will speak to the Bill, as I think the whole question of the agreement and its objects is one that merits careful consideration by this Chamber.

Hon. C. C. BALLANTYNE: Honourable senators, I am sure I am speaking for all honourable members of this Chamber when I say that we are indebted to the honourable the leader of the Government for placing before us so much detailed information in regard to this subject.

I certainly have no objection to this humanitarian Bill. As the honourable the leader opposite has pointed out, our first great problem is to win the war by force of arms. Our second responsibility will be to take care of the hungry, the destitute and the sick peoples of the nations he has referred to; and we are looking forward to the time—I hope it will be in the not too distant future—when they will be freed from the tyranny under which they have been suffering for so many years.

It is quite right and proper that the Dominion Government should bring down such a bill as this, and that Canada, as one of the United Nations, should take a full and generous share of the responsibility. I am delighted to hear from the honourable the leader, although I had already read about it, that a very able Canadian, Mr. Pearson, is going to be in charge of the food administration. While I have not met him personally, I am familiar with his record, which certainly is a most creditable one. We are also fortunate in having ex-Governor Lehmann filling the very important post that the honourable leader of the Government has referred to.

The expenditure that we are asked to approve of just now is one not exceeding $10,000,000, but I understand that as occupied countries are relieved and this good work goes on the Government will from time to time bring before Parliament other votes, the total of which will not exceed $90,000,000.

Hon. Mr. KING: That amount has been suggested, but I do not think any one has set a definite figure.

Hon. Mr. BALLANTYNE: Rehabilitation is a huge task, and a very necessary one. This Bill will do more than anything else to obtain for us the good will and gratitude of the peoples of the occupied countries as these are relieved from time to time. I certainly approve of this measure in every way.

Hon. ATHANASE DAVID: Honourable senators, it is very far from my mind to give a lesson in French or in English, but I should like to make some reference to the word "rehabilitation." In the past few years I have often seen the word used in newspapers and magazines, and I had the curiosity to look up its meaning in French and English dictionaries.

I knew it was a French word. The English term, if you will permit me to say so, is derived from the French. In both languages the term is applied in connection with a reformed prisoner, a bankrupt who has paid his debts, or a man who, having been slandered during his life, has his reputation re-established after his death. I think that an additional definition given in Harrap is "a reorganization plan." In the French version of the Bill the word "rétablissement" has been chosen, but I regret to say that even that is not suitable in all cases. "Rétablissement" means "re-establishment." It would apply where a man who was formerly a farmer, say, was re-established in that occupation. Well, in our armed forces there are certainly many farmers and men in other occupational groups who will want to change their occupations when they return. I would suggest that the word "réadaptation" be substituted in French. I have not looked to see if that word is in the English dictionary, but if it is there I think it should be substituted in the English version of the Bill as well. I am sure that if French officers of any education are told that the Government of this country intends to rehabilitate them, they will be surprised at the implication that in risking their lives on the battlefield they committed a crime.

Here is a definition which I have taken from a dictionary:

Rehabilitate: To restore to a former condition or position; to re-establish the character or reputation of. When a person has been wrongly punished and his innocence is proved, those who have condemned him usually do their best to rehabilitate him in the esteem of his fellows. He is also rehabilitated in his honours if these have been taken away, and his rehabilitation annuls all records of his sentence and supposed crime.

I will read a French definition, which is much worse than the English.

(Translation): Rehabilitate: to restore to a former condition, rights, prerogatives, etc., one who had been deprived of them through a judgment. To re-establish the good name of a man convicted by a court. Formerly, the expression to rehabilitate a marriage meant to correct a defect in the marriage by a new ceremony. Figuratively, to re-establish in public esteem or in the esteem of a person. For example: "That action has rehabilitated him in public opinion." To rehabilitate oneself (pronominal verb): to recover one's former condition; or, figuratively, to recover esteem, consideration, honour.

I just wanted to state to honourable senators my opinion that if the English word "rehabilitation" is derived from the French, as I believe it is, it certainly would not apply in the case of soldiers who wish, on their return from overseas, to enter different occupations from those in which they were engaged prior to enlistment.

Hon. Mr. DAVID.

Hon. Mr. MURDOCK: Would not the definition "to restore to a former condition or position" be the meaning under this Bill?

Hon. Mr. DAVID: I doubt very much that all the men returning from the front will want to be restored to their former positions. On the contrary, I believe that many of these young people will want to readapt themselves to new occupations.

I hope honourable senators will accept my remarks in the spirit in which they were uttered. As I said at the outset, I have no desire whatever to give a language lesson. My knowledge of English is too poor for that.

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

OTTAWA AGREEMENT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 87, an Act to authorize an agreement between His Majesty the King and the corporation of the City of Ottawa.

He said: Honourable senators, I shall make just a brief statement on this Bill. A bill in this form has become a hardy annual, which has been before Parliament every year since 1930. On the occasion of moving the second reading of last year's Bill I endeavoured to give a short history of the grant made to the city of Ottawa. I indicated that in 1898 there was a grant of $60,000; that in 1920 this was increased to $75,000; and that in 1925 an agreement was made for five years, providing for payment at the rate of $100,000 a year. That agreement expired in 1930, and since then a measure similar to the one now before us has been passed annually.

For some time past representations have been made in the House of Commons and by the municipal authorities of Ottawa that more liberal consideration should be given to the city, because no municipal taxes are paid on the large amount of local property that the federal Government has acquired. When this Bill was before the House of Commons recently, the Prime Minister indicated that he personally had had correspondence and conversation with His Worship the Mayor of Ottawa, who was desirous of having a study made of the future evolution of the city.

In course of time Ottawa will naturally become one of the world's great capitals. We all know that the Prime Minister has given much thought and study to its beautification and development as a national centre. I think that has been true of former Prime Ministers; there has been a disposition on the part of all

of them, especially since 1891—prior to that, even—to favour the making of plans for the future development of Ottawa.

The Prime Minister stated in another place that he would ask a joint committee of the Senate and House of Commons to hear evidence and consider representations of the City of Ottawa with respect to the annual grant, and to study and consider plans for our national capital. After this statement was made, the Bill was passed without discussion and sent over to the Senate. I now recommend it to honourable members for their consideration.

Hon. NORMAN P. LAMBERT: Honourable senators, it will be recalled that when the Bill came before the House last session the late Senator Côté and I had some discussion regarding the possibility of adjusting the differences between the Dominion Government and the City of Ottawa in relation to this annual grant of $100,000. Although this Bill provides for the payment of the same amount for another year. I rise to express the hope that when the joint committee suggested by the Prime Minister is set up some adjustment will be made, for I think I am not exaggerating in the slightest degree when I say that an adjustment is long overdue. I hope also that the deliberations of the proposed joint committee will lead to the establishment of an enlarged Federal District Commission, a subject I mentioned last session when we were discussing a similar bill. That possibility was most encouragingly and hopefully set forth by the Prime Minister when this Bill was before the other House. I hope the committee will accomplish something, for I recall that some years ago a committee set up to consider a scheme for the beautification of the capital vanished, as it were, into thin air. Plans were only partly initiated and then abandoned because of the war. If the larger scheme of a Federal District Commission is not to be undertaken in the near future, I think the taxpayers of the city of Ottawa should at least be assured of some relief pending development of the larger scheme.

Hon. W. RUPERT DAVIES: Honourable senators, I merely rise to suggest that should the proposed committee be set up it might very well consider the relationship between the federal Government and all municipalities in which there are federal buildings. Many municipalities throughout the country get no relief whatsoever in respect of such buildings. For instance, what is known as the Kingston penitentiary is situated in the little village of Portsmouth. There being no fire brigade in the village, the municipal authorities decided to build a small fire station at an estimated cost of $4,000. I approached the Minister of Justice and asked for a grant of $2,000, because the fire station would be situated right across the road from the penitentiary; whereas the Kinston fire station is two or three miles distant. I received no encouragement whatever; in fact, I was turned down flat. That does not worry me unduly, but in view of what is now under consideration, I repeat, we might at the same time look into the position of other municipalities where there are large federal buildings that pay no taxes.

Hon. C. C. BALLANTYNE: Honourable senators, we are all proud of the development of the capital during the past few years. Much has been done by way of improvement, but much more can be done. Inasmuch as Ottawa is our national capital, it is only right and proper that the beautification scheme should be continued, and that this sum of money should be voted. I cannot, however, find myself in agreement with the honourable senator from Ottawa (Hon. Mr. Lambert) when he suggests that there should be some adjustment, that is, I take it, some reduction of taxation for the benefit of those who live in this beautiful city. So far as I can make out, they are fortunate indeed in this respect, for their taxes are much lower than those levied in the good city in which I live and in many other cities. It may be said that that is a debatable question, and certainly it can be looked into by the proposed committee. I cannot at the moment see what a joint committee of the Senate and House of Commons could do, but other honourable members may be able to enlighten me. At the present time I believe any improvements are left entirely in the hands of the Federal District Commission.

Hon. Mr. KING: Yes; and a special grant is made each year.

Hon. Mr. BALLANTYNE: But I understood the honourable leader to say that the Prime Minister had suggested the formation of a joint committee of both Houses.

Hon. Mr. KING: Yes.

Hon. Mr. BALLANTYNE: There may be many advantages in the proposal, but for the moment I cannot see any. I am quite willing to leave the improvement of the capital in the hands of the present Commission. It has done pretty well so far. and no doubt will carry out further improvements. I have no objection to the Bill.

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

THIRD READING

The Hon. the SPEAKER: When shall said Bill be read a third tmie?

Hon. Mr. KING: With leave, I would move the third reading now.

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

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. COPP, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the second time.

Bill U3, an Act for the relief of William Cowie.

Bill V3, an Act for the relief of Nita Marjorie Hammerich Ward.

Bill W3, an Act for the relief of Margaret Kirsen Brown MacRae.

Bill X3, an Act for the relief of Margaretha Bernhard Cronauer.

Bill Y3, an Act for the relief of Henry Rattigan.

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

THE SENATE

Wednesday, May 3, 1944.

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

Prayers and routine proceedings.

PRIVATE BILL

REPORT OF COMMITTEE

Hon. Mr. COPP presented and moved concurrence in the report of the Standing Committee on Railways, Telegraphs and Harbours on Bill B, an Act respecting Vancouver, Victoria and Eastern Railway and Navigation Company, the Nelson and Fort Sheppard Railway Company and Great Northern Railway Company.

He said: Honourable senators, the committee made a number of amendments, all of a very minor nature, which deal only with phraseology and do not in any way affect the objects of the Bill.

The motion was agreed to.

AMMUNITION FOR GAME HUNTING

INQUIRY AND DISCUSSION

Hon. W. M. ASELTINE rose in accordance with the following notice:

That he will call the attention of the Senate to the shortage of ammunition for hunting game birds and animals and will inquire of the ministry as to the possibility of releasing a reasonable supply of ammunition for that purpose.

He said: Honourable senators, I wish to preface my remarks by stating that although I indulge in hunting game, yet I am a conservationist. I am a key man for "Ducks Unlimited," and a member of several other game associations, and I spend a good deal of my time while at home in furthering measures to conserve the wild life of Saskatchewan.

I may state that the number of migratory and upland game birds and game animals shot during the hunting season is small in proportion to the heavy losses of bird and animal life in Western, Eastern and Northern Canada caused by forest and prairie fires, drought, and other disasters. Every year more game birds and game animals are destroyed by fire alone than by all the hunters of North America. Marsh fires destroy nests, eggs and young birds, and bush fires destroy deer, moose and other game animals.

This is not a controversial subject, and I hope honourable members will relax for a few moments while I mention some points which I think are important to Canadian hunters and sportsmen. I believe, too, that what I have to say may be helpful when we are discussing rehabilitation.

Several game associations, sportsmen and hunters in Western Canada have asked me to bring this matter to the attention of the Senate, but my remarks are intended to apply to the situation as it affects the whole of Canada. I shall be able to touch on only a few of its many angles, and I hope that other honourable members will deal with those that I do not cover.

There is a widespread opinion that the release of a reasonable supply of different kinds of small ammunition will not affect the war effort. Were it otherwise I should not bring the subject up at all.

Honourable senators are aware of the fact that prior to 1943 there were no restrictions at all in regard to ammunition; anyone could secure all that he required; but in 1943 the production of commercial ammunition was only sufficient to meet a certain approved demand—for the Eskimos and for the forces in training who were learning to shoot, and so on—and as a consequence the Wartime Prices and Trade Board stepped in and passed Order No. 251 dealing with the whole question. At that time the Wartime Prices and Trade Board declared that as soon as the situation improved with regard to materials and labour the restrictions would be removed.

In the estimates which we considered not long ago I noticed that the sum required for bombs and other ammunition for war was considerably less than it had been in previous years. I take this to mean that we are not going to spend so much money on these articles. It also means, probably, that more material and more labour will be available for the manufacture of small arms.

On December 31, 1943, Order No. 251 was revoked and replaced by Order 350, which is now in force. This order forbids the sale of small arms ammunition to anybody except "authorized purchasers." Perhaps it would be interesting to honourable senators to know who these "authorized purchasers" are. By Part II of the order "authorized purchasers" are divided into two groups. Group 1 includes rifle clubs and gun clubs, which are able to obtain a certain amount of ammunition from the board's Director of Small Arms; and also defence units under the Militia Act, which are permitted to buy small arms. Then we come to group 2. This portion of the order consists of four or five sections. The first deals with ammunition for municipal and railway police, and for penal institutions; the next with the protection of banking institutions, railways, industrial buildings, public utility companies and the like; the third section covers prospectors, and the next section persons who rely for their livelihood on the hunting and trapping of wild game. These are about the only categories of persons who, under Order No. 350, can obtain any ammunition whatsoever. It is very difficult, in fact almost impossible, to secure ammunition for the destruction of predatory animals.

Some hope was given to hunters and sportsmen by a bulletin issued by the Wartime Prices and Trade Board on February 10, 1944. I should like to place on record the first paragraph of that bulletin:

> Production of shotgun shells in Canada during 1944 will be three times as great as in 1943, the board has announced. However, despite this substantial increase, the production will be slightly less than 70 per cent of a normal pre-war year's output. Accordingly rationing of small arms ammunition will have to continue, in order that needs of essential users can first be met. Some ammunition will be available for sportsmen, but the quantity will depend on the volume of essential needs, which cannot be accurately estimated.
>
> The board said that increases have also been planned for other types of ammunition, but emphasized that the limiting factor in the small arms ammunition picture is production facilities. There is only one plant in Canada which produces small arms ammunition for civilian purposes, and much of its capacity is devoted to military requirements. While the increased production planned for 1944 will allow some distribution for sporting purposes later in the year, the board warned that for several months yet it will be necessary to continue to restrict distribution to essential users.

Hon. Mr. KING: What is the date of that bulletin?

Hon. Mr. ASELTINE: February 10, 1944. After the issue of that bulletin, a number of articles bearing on the subject appeared in various newspapers. I quote from the Winnipeg Free Press of April 8, 1944:

> HUNTERS NOT GIVEN SHELL QUOTA AS YET
>
> Ottawa, April 6. (CP)—Prices Board officials said to-day they were not prepared to say how many shotgun shells would be available this year for hunters.
>
> They repeated a January 4 announcement that the increased production planned for 1944 will allow some distribution for sporting purposes later in the year, but did not know when they would be able to give a definite statement on the amount which would be available.
>
> There is a threefold increase in shotgun shells production this year, but the total output will still be only 70 per cent of a normal year.
>
> Before any shells are allotted to the hunters, however, trappers, farmers, those who shoot for food, war plant guards and police forces will have their requirements filled.

The people mentioned in that last paragraph, except the hunters, are the ones for whom provision is made by Order No. 350, which I referred to a few moments ago.

In the last issue of Rod and Gun, at the bottom of a full-page advertisement by Dominion Ammunition, a subsidiary of Canadian Industries Limited, this statement appears:

> The sale of ammunition is now under the control of the Wartime Prices and Trade Board. It is possible that conditions may soon permit some relaxation of these restrictions.

These publications have given hunters and sportsmen, and the people in general, some hope that restrictions will be lessened to make available a reasonable quantity of ammunition this coming fall. If the Wartime Prices and Trade Board or the Government finds it impossible to release more ammunition, we shall of course have to be satisfied; but if it is possible to lift the restrictions without injuring the war effort, we should like to have this done.

As I have said, many of the fish and game associations in Canada are advocating the release of ammunition. I received this morning by air mail a letter, dated Winnipeg, April 29, 1944, from the president of the Manitoba Game and Fish Association. Manitoba, as we all know, is that province about which we hear so much from the honourable senator from Winnipeg (Hon. Mr. Haig).

Some Hon. SENATORS: Hear, hear.

Hon. Mr. ASELTINE: I like the attitude that the president of the association takes with regard to the whole question, and I think it would be interesting to put a paragraph or two on record:

> Last year representations were made by Alberta and Saskatchewan at Ottawa for release of ammunition on the ground that there had been a very heavy increase in birds which should be harvested. It came before our board, and we decided not to make any representations, although we viewed with apprehension the large increase in crows, etc., and other predators, and also feared that the heavy concentration of ducks might be dangerous to the farmers and destroy their crops, if no shooting were done. The board, however, decided that the Government having taken the stand that any increase in ammunition would be injurious to the war effort, they refused to take any steps in this connection.
>
> This year we made representations to the Wartime Prices and Trade Board, Mr. Ross of Montreal, as regards the seriousness of predators, and he estimated 70 per cent of the normal ammunition might be available, and I believe they have in mind making a limited distribution this fall.
>
> In view of the fact that the younger men are all in the armed forces, the number of hunters will be materially reduced. If 70 per cent of normal ammunition will be available in Canada this year, then in view of the severe gasoline shortage one would think it would be possible for the Government to release ammunition in the normal way, because we think they can be assured that there won't be 70 per cent of normal hunting. Our experience is that a large number of people go out on the opening day, but after that cannot afford the gasoline, and there is little activity, and the shoot is very much less than it was prior to gasoline being rationed.

That was a very reasonable attitude for the Manitoba Game and Fish Association to take last year; and I think that association is in line with others in bringing up the matter again at this time.

Perhaps honourable senators do not know that there is considerable bootlegging of ammunition in Canada at the present time. You can buy shotgun shells from hoarders who stocked up with shells of different kinds prior to Order No. 350 coming into effect last fall. For a box of shells ordinarily priced at a dollar, these people will ask $5; and for rifle shells they ask anything from fifty cents to one dollar each. That situation would probably be corrected if some release of ammunition were made by the Wartime Prices and Trade Board. We should not have to pay five times the regular price to people who guessed rightly that there would be a shortage of ammunition and are now acting as scalpers.

I think there should be some preference for members of the Army, Navy and Air Force when on leave. I was told yesterday by an Air Force officer, who returned to Canada last fall after three years of operational service overseas, that members of the armed services on leave in England who want to go to Scotland for a holiday can get 200 rounds of shotgun shells just for the asking, and enough gasoline to last them on their trip. He said that this privilege was very much appreciated. But what did he find when he came back to Canada? After applying for a little ammunition, and having his application turned down, he found that he could get some by paying $5 a box. But he was not allowed enough gasoline to drive out to the country, so he could not use even the few shells he had obtained at such a high price. It seems to me that even though there is no lifting of restrictions on ammunition for the general public, some exception should be made for members of the armed forces while in Canada on leave from overseas, in order that they might have a little pleasant outdoor recreation.

I mentioned that there had been a large increase in our game birds, mostly of the migratory species. The latest issue of Rod and Gun states that 10,000 mallards wintered in Alberta, fed in the fields out there, and did not go south at all. In 1937 Canada had only a few million wild fowl, mostly duck, but the estimated number in 1943 was 125 million. Geese also are plentiful; and in some parts of Alberta hunters last year shot many thousands of pheasants. In case some honourable senators might like to go shooting pheasants, I would recommend Brooks, Alberta, the greatest pheasant-shooting country on the North American continent. Hunters came there last year from the northern states, all the way from Washington to Michigan, and from various parts of Ontario and other places, and shot pheasants by the thousands. The bag limit for a day is fifteen birds, and the total number that a man is allowed to bag is thirty. Our American friends, having sufficient shells, had no difficulty at all in filling those quotas. We were glad that they had such good shooting, but we did think it was unfair that although their Government allowed them all the gun and rifle shells they wanted, our authorities in Canada would not permit us any at all.

Before taking my seat I should like to say something by way of appreciation of the marvellous work done by an organization known as Ducks Unlimited.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. ASELTINE: It is my opinion that this company is responsible, more than any other agency, for the fact that we now have in Canada more duck, upland game birds, song birds, and so on, than we have had for a long time.

The work of this organization is carried on by two affiliated companies: Ducks Unlimited (United States) and Ducks Unlimited (Canada). The American company is nothing more nor less than a collection agency that gathers money in the United States for use in Canada, where the birds nest and produce their young. The personnel of Ducks Unlimited (Canada) are all Canadians.

I should like to put on record a brief summary of the good work that this organization has done since 1937.

1. Over $1,000,000 has been contributed by 30,000 sportsmen and nature lovers of the United States.

2. $750,000 has been spent in Canada building dams, dykes, canals, ditches, ploughing fire guards and cutting fire lanes, building fences, fighting fires, destroying predators, etc., etc.

3. To date 117 projects have been constructed to safeguard wild life on well over 1,100,000 acres in the three prairie provinces.

4. The Dominion Government, the provinces of Western Canada, many municipalities, private corporations and individuals have made land available at little or no cost.

5. More than 2,000 key men, farmers, ranchers, trappers, air pilots, country business men, school teachers, sportsmen and naturalists work in their spare time without compensation or pay or expenses.

6. A three-reel coloured movie has been prepared, and each year this movie, showing different phases of bird life in Western Canada, is shown to millions of people in both countries.

No doubt several honourable senators have seen this wonderful picture.

Lectures are given with the movie for the purpose of making the people of the prairies conscious of the necessity of conserving their wild life resources.

7. The work of this organization, co-operating as it does with our American neighbours, has tended to the building up of a more friendly feeling between Canadians and Americans. The result is that the two peoples are being drawn more closely together.

8. The publicity that is being gained is attracting many thousands of tourists to Western Canada, Ontario and other provinces, or will do so after victory has been achieved

9. As a result of the work being done by Ducks Unlimited, the water fowl population in the great Canadian nesting grounds of Western and Northern Canada has increased from 40 million in 1937 to 125 million in 1943.

I may mention that Ducks Unlimited should be given credit for the following good results obtained by virtue of their work, namely:

1. The muskrat population in the districts where dams have been built and marshes reflooded has increased to an unbelievable extent, resulting in thousands of dollars worth of additional pelts.

2. Thousands of cattle are able to use pasture lands that were useless until permanent water provision was made.

3. Reservoirs have raised the water-table under many thousands of acres, helping farmers and ranchers, as well as providing moisture for hay and many other crops.

All this has been done at no cost whatever to Canadian citizens, and I feel that I should take this opportunity of bringing these facts to the attention of honourable members.

Mr. T. C. Main, General Manager of Ducks, Unlimited, was loaned by the Canadian National Railways to the company for an indefinite period. He was an engineer of water service for the railway company.

Honourable senators, I have endeavoured to cover all the essential points in this matter, and I hope that the Government, through the Wartime Prices and Trade Board, will see its way clear to release to the general public a fair amount of ammunition for the purpose of hunting game birds and game animals in the fall and winter months of the 1944-45 season.

Hon. W. A. BUCHANAN: Honourable senators, I desire to compliment the honourable member from West Central Saskatchewan (Hon. Mr. Aseltine) upon bringing this inquiry to our attention, because it gives me an opportunity of presenting a situation that does not relate to small game. It has to do with depredations by wild animals on live stock in the ranching country of the foothills of Alberta during the last year or two, brought about largely by shortage of ammunition. Our ranchers have no rifle ammunition—not the small arms ammunition mentioned by my honourable friend—to enable them to kill such predatory animals as grizzly bears, wolves and coyotes, which are more numerous to-day than at any time in the recent history of ranching. In the foothill country near Pincher Creek a grizzly bear during the night did a great deal of damage to live stock. I know of another case in the same general neighbourhood where a wolf did very heavy damage. Out on the prairies the coyete is more destructive than ever before. I think there is good reason for making representations to the Wartime Prices and Trade Board to release sufficient rifle ammunition, so that ranchers and farmers may check these depredations, brought about, as I have said, by the shortage of ammunition.

A similar situation exists in the border state of Montana. There the ranchers have raised a large sum of money to provide bounties for getting rid of the coyotes which are destroying sheep and cattle on the range. I agree with the honourable senator from West Central Saskatchewan that a larger amount of small ammunition is available in the United States than in Canada, but I think the ranchers and farmers there are troubled just as we are by a lack of rifle ammunition.

Assuming that there is a shortage of ammunition, and that the supply should be controlled, it would appear to be better for the appropriate department of government to authorize the Royal Canadian Mounted Police to issue permits. Members of this force are located all over the Western Provinces, they know local conditions, and if a farmer or rancher applied for a permit for ammunition because of the menace of wild animals to his livestock, they would be in a position to decide whether or not it should be issued. In this way the supply of the ammunition could be regulated to ensure its getting into the hands of those who need it for the protection of their live stock. I have not discussed this matter with my rancher friend from High River (Hon. Mr. Riley), but I do know that in Alberta there have been very heavy losses of live stock owing to shortage of rifle ammunition. If something can be done to release sufficient ammunition for the purpose I have mentioned, it would effect the saving of much live stock, to the monetary advantage of both ranchers and farmers.

Hon. W. A. GRIESBACH: Honourable members, the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine) has not presented an aspect of this matter which, in my opinion, is of much greater importance than what he dealt with; I mean what happens when great flocks of duck come down from the north and invade the stooked grain of the farmer in Alberta. The birds are heavy, weighing three or four pounds, and they knock stooks down and scatter the grain all over the field, practically ruining the farmer's crop. In the years prior to the war it was the practice of the provincial Government to give the farmer a shooting permit, even if the season was not open. He notified his friends in town that his fields were being overrun by duck, and they came out and shot them up.

Wild animals are creatures of habit. If wild duck coming down in thousands find they can invade a field without danger of interruption, they will come there every day until they have cleaned up all the grain; whereas if they are well shot up they will not come back, but will go somewhere else. Consequently we need shotgun ammunition for this purpose; perhaps more will be needed next fall than ever before.

So far as the Wartime Prices and Trade Board is concerned, I think it has very little information on the facts. The ordinary shotgun ammunition does not contain anything of much use to the war effort, either in the propellent, which is powder, or in the projectile, which is shot. In the case of the large predatory animals, such as bears, wolves, and coyetes, you require a different type of ammunition. It is conceivable that its production might affect the production of ammunition for the war. The propellent charge in military ammunition is cordite, whereas for small rifle shooting it is powder. Consequently what is needed is a little more knowledge and information on the part of the Wartime Prices and Trade Board as to the facts in the case. I submit that distribution of ammunition for protection of farmers' fields in the fall of the year is much more urgent and important than releasing ammunition to hunters generally, although they do contribute their part in protecting farmers' fields during the season.

As to the suggestion by the honourable gentleman from Lethbridge (Hon. Mr. Buchanan), it must be remembered that the Mounted Police operate in the provinces for the enforcement of provincial law; and game shooting is a provincial matter. Consequently I gravely doubt whether they can operate under any federal regulation which the Wartime Prices and Trade Board may pass. The cure is to make ammunition available; then the farmers themselves will look after the protection of their fields. As I have said, the protection of the farmers' grain is of outstanding importance, and I think that some steps should be taken to ensure a supply of shotgun ammunition in order that the farmers may organize their own defence, which, given the opportunity, they will do.

The increase in game in the West is due to a more ample supply of water than we have had in the past. Those in charge of prairie rehabilitation have done a great deal in increasing the water supply, and this in turn has led to an increase in game. It must be borne in mind that so far as Ducks Unlimited is concerned, it is principally an American organization. We breed the birds; they shoot them. That is the long and short of it. We breed the birds in this country and Ducks Unlimited are interested in this, and they have done a thoroughly good job. But the work of the prairie rehabilitation people has done more to increase the number of wild duck than have the efforts of Ducks Unlimited. We should not forget that our own Government is doing very effective conservation work in providing water. If you provide water you will have plenty of bird life. We are not so keen on having our pheasants killed off; they are not grain-eating, but insect-eating birds. Our bag limit is five, not fifteen.

I agree that the Wartime Prices and Trade Board should take immediate action in this matter, otherwise we shall have trouble, because farmers cannot scare birds away by erecting scare-crows in their fields. The duck have to be shot up well, and then they will not come back again. You cannot scare duck any other way. They destroy the farmer's grain crop after it has been harvested in stooks.

We should be grateful to the honourable gentleman for bringing this question to our attention, for it is of sufficient importance for firm action to be taken immediately.

Hon. J. H. KING: If there are no other speakers, I should like to make a statement in answer to the inquiry of the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine). His discourse in regard to the increase of game birds and the work that is being done by Ducks Unlimited is most interesting. I rather agree with the honourable senator from Edmonton (Hon. Mr. Griesbach), however, that the increase is probably not entirely due to the privations our people have suffered in the matter of ammunition, but that natural causes have aided very much in bringing about the increase of the last two or three years. We know from experience what has taken place under international regulation with respect to game birds and other wild life. We have the example of the seal on the Pacific Coast, where, under international agreement, a herd which was almost extinct was brought back to practically normal numbers.

I referred the inquiry of my honourable friend to the appropriate department of the Government, and I have an answer, which I think should appear in Hansard. It is as follows:

The only interest which the Department of Munitions and Supply has in the supply of small arms ammunition for civilian use lies in the Department's control of the metals used in the manufacture of this ammunition, and in having first claim on facilities for the production of ammunition for the use of the armed forces. The only restriction orders governing the production of small arms ammunition for civilian use, and governing its distribution, are those of the Wartime Prices and Trade Board.

With respect to the supply of metals for manufacturing purposes, arrangements were made at the beginning of January that blanket authority be extended to the producer of civilian small arms ammunition to take immediate advantage for civilian production of any slackening in the Department of Munitions and Supply requirements. This blanket authority was extended following arrangements with the Metals Control for the release of the requisite metals. It is, of course, subject to review at any time, should the supply situation change, but no shortage of the metals is anticipated at the present time. The blanket authority referred to above was a clearance given by the Wartime Industries Control Board to the Wartime Prices and Trade Board; the actual authorization to produce small arms ammunition for civilian requirements was then extended in the same terms to the producer by the Wartime Prices and Trade Board.

From this I would understand that the metal required for the production of ammunition for civilian needs is now available, and that manufacturers have been advised that they may make use of any slack time in filling these needs. That being so, I think there would be a sufficient supply of small arms ammunition for the people of this country in the coming season. Much, of course, will depend on war requirements. As this matter is of importance to those who engage in shooting, I think they should have notice of my honourable friend's inquiry and the result of it, so that they may have full knowledge of the situation.

Hon. Mr. GRIESBACH: Does that cover rifle ammunition, or only shotgun ammunition?

Hon. Mr. KING: I believe it covers rifle ammunition as well.

Hon. Mr. ASELTINE: "Small arms" covers the whole situation; but before the retailers can sell the ammunition an amendment to Order No. 350 will be necessary.

Hon. Mr. KING: I think that will be taken care of. In any event, I shall see that further inquiry is made with a view to meeting the situation, if the prohibition still exists.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed, on division:

Bill U3, an Act for the relief of William Cowie.

Bill V3, an Act for the relief of Nita Marjorie Hammerich Ward.

Bill W3, an Act for the relief of Margaret Kirsen Brown MacRae.

Bill X3, an Act for the relief of Margaretha Bernhard Cronauer.

Bill Y3, an Act for the relief of Henry Rattigan.

UNITED NATIONS RELIEF AND REHABILITATION BILL 1944

DEBATE CONTINUED—SECOND READING

The Senate resumed from yesterday the debate on the motion of Hon. Mr. King for the second reading of Bill 84, an Act for carry-

ing into effect the agreement for United Nations relief and rehabilitation administration between Canada and certain other nations and authorities.

Hon. NORMAN P. LAMBERT: Honourable senators, those who have followed the development of the proposals contained in Bill 84, and who have been enlightened by the recent discussion in the other House, cannot find much difficulty, I believe, in supporting this Bill. It passed almost unanimously in the other House after a debate which was characterized by several very commendable speeches from both sides of the House, and after a series of questions and answers in committee on a high and informative plane. It is not my purpose, therefore, in the course of the few remarks I have to make on this Bill, to attempt to review all the steps which led up to the establishment of UNRRA a few months ago, or to discuss the provisions for its operation. I am sure that all honourable senators are pretty well informed on this subject already, and are acquainted with the proposed work of the international association which was set up in Atlantic City last November. It deserves our earnest and sincere interest, mainly because it is a voluntary co-operative international effort which, as was said in the other place, represents the first step to be taken along the path from war to peace.

The agreement which is the basis of this Bill, however, is only the paper set-up or design of a mechanism—a human mechanism—and its successful operation will depend largely upon, first, the whole-hearted support which it receives from the peoples and governments of all the nations which are associated with it; and secondly, the actual existence of sufficient food and materials to meet the demands of the peoples who are to be served in this cause.

Canada played an important part in the work of setting up this organization last fall at Atlantic City, where the conference of the representatives of 44 nations was held; and Canada now has a further important responsibility in heading up the Committee of Supplies which was formed at that time—a committee which makes this country a central factor in the whole scheme of rehabilitation and relief. It should be pointed out that while at first contributions of funds will be necessary, occupied countries which have realizable assets in places of safety in the United Nations will be expected to pay for their share of the relief.

The question of the adequacy of world supplies for the use of UNRRA was just slightly touched upon in the other House, but it seems to me that in passing this Bill, which after all is only setting up a piece of machinery, we should realize, and everybody everywhere should realize, that the vital point in connection with the whole undertaking will be the availability of supplies in sufficient quantity to bring relief to those peoples who will very soon urgently require it.

The director-general of UNRRA in assessing the requirements must consult with such inter-governmental authorities as the Combined Food Board, the Production and Natural Resources Board and the Shipping Board, on all of which Canada is represented. UNRRA will receive its supplies of food and materials through these boards. It was stated during the discussion in the other House that not yet has Canada, nor presumably any other of the supplying countries, received any demand or indication from UNRRA as to the kind and quantity of supplies that will be needed. Such lack of definite knowledge six months after this international organization was set up suggests a certain absence of efficiency in initiating the practical purpose of relief abroad, and is probably due to delay in getting the central organization at Washington under way.

There can be no doubt whatsoever about the present appalling need for food and supplies in the occupied countries of Europe; and nothing could be more certain than the extent of the demand that will confront Canada and the United States as soon as hostilities cease. In an article which appeared last October in the Saturday Evening Post from the authoritative and talented pen of Mr. Hallet Abend, just before the formation of UNRRA at Atlantic City, it was shown that at least ten per cent of three hundred million human beings in occupied and enemy Europe, including some 230 millions in Germany's subjugated allied territories, are already doomed to die of starvation or of disease resulting from malnutrition. The extent of hunger in Asia will probably at least equal that in Europe.

The announced preamble of the draft for organizing UNRRA says:

> That immediately upon the liberation of any area by the armed forces of the United Nations, the population thereof shall receive aid and relief from their sufferings, food, clothing and shelter, aid in the prevention of pestilence and in the recovery of the health of the people.

The people of Europe and Asia, having been told these things, naturally have high expectations of their being realized. We, along with the other signatories to the agreement before us, are making solemn promises, which are being taken at face value. Unless these pledges can be kept, a tragic victory will

certainly confront the United Nations, with those now under Axis control finding in post-war conditions a doubtful political freedom, hunger, and a death toll from starvation which would make the casualties of war a mere bagatelle.

Referring to the proposed undertakings of UNRRA, in the article that I have mentioned, Mr. Abend wrote:

Actually, the food situation in this country—

That is, the United States.

—as well as in other United Nations and the important neutral countries will not permit the fulfilment of these lavish promises.

Ex-Governor Lehmann of New York, Director General of UNRRA, has warned the people of the United States that food rationing in that country will continue for a year or two after the war ends. And in Britain, Mr. Bevin, Minister of Labour, said last fall that price control and coupon rationing will have to be maintained for four or five post-war years. A confidential report given to Secretary of Agriculture Wickard last summer by representatives of half a dozen boards concerned with food informed him that only by careful production and conservation could the United States have food enough by the end of 1944 to feed 40 million people in addition to its own population and its army overseas. The United Nations Conference on Food and Agriculture, held at Hot Springs, Virginia, earlier in 1943, also issued a warning against eventual world-wide famine conditions. It may be seen from these statements that a practical challenge to the good faith and organizing capacity of Allied democracy throughout the world is represented by UNRRA. Much could be said about the lessons to be learned from the Allied failure to take adequate steps for giving relief to Europe after the armistice in 1918, but I shall not take time to go into that now. Possibly someone else may feel like referring to that historic failure.

We must realize that in passing this Bill we are solving nothing: we are simply helping to create some international machinery which, if it functions properly, may do much to secure a worthy measure of peace for the world. For the people of Canada, it should have a strong appeal, because it will mean, for one thing, the continued use of her great agricultural resources in the cause of humanity. Our farmers, deprived of twenty-five per cent of their man-power in these war years, have set up a phenomenal record in production. It is difficult to see how more can be done than is being done now; yet we see our colossal supplies of wheat, accumulated out of the abundance of past years, rapidly dwindling before the increased demands of the current crop year. In these days when the shadow of drought seems again to threaten a vast area of our farm lands, the consideration of this Bill impresses upon us the serious prospect of famine and pestilence following in the track of war.

Hon. Mr. CALDER: Could the honourable gentleman tell us if UNRRA is operating in southern Italy, Sicily and, say, Tunisia?

Hon. Mr. LAMBERT: My understanding is that UNRRA is not operating there yet. Undoubtedly UNRRA will meet with some difficulty in taking over certain functions from such an organization as WFA—the War-time Food Administration—which is directly connected with the Army. It is no secret at all that the work of the WFA through the AMG administration in Sicily has been criticized at Washington, simply because this organization started to feed the people of Sicily and occupied Italy on army rations, with the characteristically lavish hand that military establishments sometimes employ in such cases, until a most effectual restraint was imposed by another organization at Washington, which controls food supplies. I believe that this and other difficulties of the kind are being satisfactorily ironed out. Within a certain time—I think it is six months—after retreat of the enemy from or military occupation of an occupied country, UNRRA is supposed to take over and administer relief and rehabilitation measures, which include the distribution not only of food and medical supplies, but of agricultural implements to help the people of the country to begin production of their own food as soon as possible.

Hon. W. A. BUCHANAN: Honourable senators, I think this is an appropriate time to remove an impression that seems to exist not only here, but in other parts of the world, that Canada has a plentiful supply of foodstuffs and will be able to assist without difficulty in carrying out this relief measure. I am very fearful that the wheat supply situation will be serious before this crop year is out. The fact is that when the war is over we may not have a surplus of foodstuffs to help European countries. I do not want to be an alarmist at this moment, for this month or next month there may be enough moisture to bring on a good crop in the western provinces. Nevertheless, I want to say that during all the years that I have been in Western Canada, until now I have not known a year when the outlook at this season was so dark over such a large area. Last winter was the most open winter that the West has had in all my experience. Before the winter began there had been little rain, and throughout the winter the

snow-fall was light. So far, this spring also has been unusually dry; we have not had nearly enough rain to promote any considerable crop.

If that condition continues in Western Canada, not only will there be a very small grain crop this year, but the shortage of pasture and water will necessitate throwing live stock on the market. These conditions would precipitate a situation that would prevent Canada from supplying anything like the quantity of foodstuffs we are being counted upon to have available. The shortage is likely to be especially acute in grain, but serious also in live stock. The honourable senator from Ottawa (Hon. Mr. Lambert) quoted ex-Governor Lehmann as saying that rationing might have to be continued in the United States for some time after the war. I fear there is good ground for that statement; and I think we should anticipate that, if we are to carry out the provisions of this relief measure and help meet the needs of distressed European countries, we may have to continue rationing in Canada also after the war.

I thought it well to make this statement, because many honourable members may not be familiar with existing conditions in Western Canada. I want to repeat that in all my experience I never knew such a dark outlook for the crop year as there is in the West at present, at least in most of Alberta, and, I should say, most of Saskatchewan.

Hon. CYRILLE VAILLANCOURT (Translation): Honourable senators, after the remarks which have already been made, I do not intend to repeat the historical account of this matter; but as I had the privilege of being attached to the Canadian delegation which attended the conference held in Atlantic City last November, I feel it my duty to say a few words on this Bill.

The object of the Bill is to relieve the enslaved and famished peoples of the United Nations, to help them re-establish themselves, and to provide them with food and whatever else they may need. It is not our purpose to help the peoples who have subjugated and persecuted others, but to aid the oppressed nations.

It is estimated that during the first six months of the invasion, fifty million tons of supplies will have to be provided to the people who during the past four years have been trampled under foot by the enemy. It is hoped that fifty per cent of those supplies will be found in the countries affected. The remainder will have to be exported by the United Nations. Canada's contribution will consist mainly of wheat. Our contribution of $90,000,000 will be used principally for the purchase of food, and our farmers, while helping to relieve famished peoples, will derive great benefit from this scheme. This year we must increase our production more than ever.

This Bill is essentially social in character, if I may so express myself, for it will enable us to bring immediate relief in the most effective and realistic manner to people who, for the last five years, have experienced scarcity in every sphere, because everything had been seized by the Hun.

In Atlantic City I spoke to several delegates who had escaped the torment of Nazi domination, and I heard many a pitiable story that left me quite depressed. I still recall the Belgian and French representatives telling me: "In our country sixty per cent of all children born since 1939 have died. In France, every third person is consumptive. The Germans, a supposedly civilized people with a culture of their own, hold round-table conferences to discuss the best and most scientific means of suppressing this nation or that. They do not say, 'We will deprive them of food,' but they give them only such foodstuffs as contain no calories, no vitamins. They act in such a way that these people gradually die off."

Last November I was told that in Europe a whole generation has been lost, and it is claimed that if the war goes on another year two generations will vanish. These people, therefore, are on the verge of disappearing. When I told Lieutenant Catroux, "It is all over with the French and Belgian people," he, who had left France last March and escaped from the enemy, answered with pride: "No, we shall not cease to exist, because suffering and hardship regenerate a nation. France, like Belgium and other invaded countries, is going through a process of regeneration, and when the final assault of liberation takes place there will rise a new France, such as you have never seen before, to co-operate with the nations of the New World in the regeneration of the Old World."

In this country we have everything that can be desired; yet we are apt to complain if we are not given as many lumps of sugar as we should like, or because we cannot indulge some whim or other. Does anybody go hungry in this country? Some physicians claim the very opposite condition prevails, that we suffer from excessive eating. If our people in Canada were to experience the horrible hardships endured by the French, the Belgians and other nations under the Nazi yoke, none would utter the slightest complaint; on the contrary, all would do their

utmost to help their brethren in other countries, especially those who to-morrow will rise and join our armies in driving out the oppressor.

The Bill which we are asked to pass is of the greatest social significance. The democracies are sometimes called plutocracies; our people are accused of trying to prosper at the expense of others. Now, we will prove, not only by our words but by our actions, that we are Christian democracies, and wish to behave as such; that we sympathize with the afflicted and will help them to their feet so that to-morrow they may once again stand with us side by side. Our gesture is one of co-operation, fraternity and Christian charity. Furthermore, it constitutes not only an act of deliverance of those whom we would aid, but is a measure of protection on our own behalf. In Atlantic City medical specialists told us: "Our greatest fear is that when the war ends an epidemic will break out. A disease germ developing in an enfeebled constitution grows stronger as the body weakens, and when its virulence has increased a hundredfold, it can strike a sound body, and consequently could reach us." So, in helping the famished peoples of Europe, who in the very near future will be linked with us more intimately than ever before, we are not only relieving their distress, but are giving our charitable works public character and are safeguarding ourselves.

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

DIVORCE BILLS

FIRST READINGS

Hon. Mr. COPP, on behalf of the Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill Z3, an Act for the relief of Margaret Millar Short.

Bill A4, an Act for the relief of Mary Annesley Iverson.

Bill B4, an Act for the relief of Annie Drewniak Sonberg.

Bill C4, an Act for the relief of Celia Zlatkes Azeff.

Bill D4, an Act for the relief of Louisa O'Tool Shelley.

Bill E4, an Act for the relief of Miriam Schwartz Silcoff.

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

THE SENATE

Thursday, May 4, 1944.

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

Prayers and routine proceedings.

CANADIAN HISTORY—UNIFORM TEXT-BOOK

MOTION

Hon. ATHANASE DAVID: Honourable members, I should like, with the leave of the Senate, to amend the motion now standing in my name on the Order Paper, and to move it in the following form:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that, at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians, as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial Governments in all schools under their direct or indirect jurisdiction or control.

I believe I need not trespass on your time at any great length in addressing myself to this motion. Its inspiration is derived from the sentiment which in the course of years has developed in me as a result of visiting the different provinces of Canada.

At this time, I think, when every country is looking into the future, we in Canada should try to solve what is one of the most serious problems that face us. The source of greatness of every nation is education, and the teaching of history is one of the most important elements of education. Tell me what the teaching of Canada's history will be to-morrow and I will tell you what the mentality of the young Canadian generation will be.

Youth to-day, as after the last war, claims the privilege of rebuilding and reconstructing the world. It listens very sceptically to Utopian affirmations that to-morrow is the dawn of a new world which will know the solutions of all problems, and will apply them; that there will be a complete and total change in the mentality of both countries and individuals; that governments themselves will not escape this drastic new orientation; that capital, although restrained, will be happy, and labour, more free, will be satisfied; that minority rights will be respected everywhere and racial antagonism a thing of the past; that quarrels between nations, the ambitions of

peoples, and the desire of might will be done with; that the State, accentuating its paternalism, will become the distributor of all gifts, of all happiness, thereby satisfying the desires and wishes of the multitude—in a word, that the days to come will see a golden age. Youth applauds such a beautiful dream, but knows it is only a dream that takes very little account of human nature, which always has remained the same and probably will never change. Yet the young men of to-day hope there can be found remedies for certain problems, the solution of which is necessary to the intellectual and national progress of their country.

Now, joining my thoughts with those of young Canadians, may I say that if on account of differences of language, religion and national origin, the unity so often spoken of in Canada is improbable, surely, if we have the foresight to scrutinize education, which is sometimes bad and sometimes false, especially in the domain of history—and this is one of the most potent causes of lack of understanding between the two people who constitute the majority in this country—we can establish something which, though quite different from unity, is greatly to be desired, namely, a beautiful and comprehensive fraternity.

It is time, I think, for a complete change in the teaching of this fundamental element of a Canadian patriotism. The way in which it has been taught in the past has created too many quarrels, too much friction and chauvinism. It is not a question of falsifying history. History is history; it is a search for truth—a narration of facts and events arranged in chronological order, and a statement of their causes and effects. It is both the recorded and unrecorded events of the life of an individual, a country or a race. When the endeavour is to deduce laws co-ordinating the march of events, then it becomes the philosophy of history. Who would doubt or deny that to draw such conclusions from historical facts and teach their philosophical effects requires more than a whimsical, fanciful or casual study of history? Therefore, if we do not want the youth of this country to have a distorted general view of past history, the competency of the teachers should be a sine qua non of their appointment.

It will rest with those responsible for education in each province to ensure the accurate teaching of history, devoid of all chauvinism and fanaticism.

The text-book to be placed in the hands of both teacher and student should be such that the logical deductions of any impartial reader would give Canadians, of whatever origin, reason to be proud of the great events that took place in this country during the past four centuries.

I think honourable senators will also agree with me when I say that a false conclusion drawn by a teacher from the facts of history and impressed upon the mind of a child may create a prejudice that will take years and years to eradicate.

It seems quite unnecessary for me to state that the proposed text-book should not be a panegyric of any government or political leader, as was the American history recently prepared and published by the Office of War Information at Washington. That has created a furore in the United States. The proposed Canadian text-book would be prepared by historians of all provinces, well learned in their subject and known for their impartiality. This safeguard would, I think, constitute sufficient guarantee that the book would not and could not become a medium of propaganda. Honourable senators will note the phraseology of the motion: "with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial Governments." There would be no obligation on any provincial Government to accept or adopt such a text-book.

I fully realize that any one desirous of finding fault with this motion will be able to see in it features on which to base criticisms; but I am so deeply convinced that the proposed uniform history would render good service to Canadians and to Canada that in advance I relegate such criticisms to a place among those made in the past with respect to certain actions of men who to-day are acknowledged as having rendered service to their country. To serve Canada is my sole desire, and I will continue in my endeavour to serve her as long as God gives me strength.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVID: In the month of February, 1943, in a splendid article entitled "A Suggestion for Peace," Miss Dorothy Thompson said:

> I think we ought to end this war the way it really began—with a book-burning. I think all the existing history text-books used in all the elementary and high schools of the so-called civilized world ought to be destroyed, and new ones made. I think we ought to begin making them right now. . . . I believe that as a preface to a real and lasting peace we ought to create a universal world history, so that youngsters might learn approximately the same account of the life of mankind and the development of each of the national segments of mankind, whether they speak English or German or French or Italian or Russian.

This, I believe, applies to Canada. Is it not true of the eight provinces in which the English language is predominant that in gen-

eral—there are, of course, notable exceptions—very few children know much about the French heroes of the beginning of the Canadian colony? And why is that so? Because their history text-books say very little about Champlain, Lévis, Laval, Lallemant, Brébeuf, Bienville, Closse, Jeanne Mance, Talon, Maisonneuve, Frontenac and many others who lived here under the French regime.

Similarly, in our province of Quebec, do we know enough about the sacrifices and deeds of the pioneers of the English race? So little, I may say, that as late as 1941 it took an historian to reveal to us that at the beginning of the English regime, despite what we were told in the schools, Governor Murray always acted with great kindness and fairness towards the Canadians of French descent.

This leads me to say that if the school is second only in importance to the family as a hotbed of patriotism, the subject of instruction that should first be completely Canadian in the most perfect sense of the word is history. Would it not be possible, if we really desired it—as I have, for the past forty years—to create in this country a Canadian mentality common to descendants both of the English and French races? And to that end could we not have but one history of Canada in Canadian schools?

Without in the least encroaching on the autonomy of any province, I should like to see appointed a committee of historians, composed of the most learned men in this field in the nine provinces, with instructions to prepare a manual of Canadian history for use in every provincial school. This, I know, could not be done without the consent of all the provinces. But I think I know enough of the desire of those among the learned and better class of Canadians of both races, who have profoundly at heart the spirit of fraternity that I have mentioned, to rest assured that they would agree to the project.

May I say, honourable members, that if this were done it would be a happy day indeed for this country. Then the young boy of Quebec would learn to respect his little brothers of Ontario, the Maritimes, the Prairies, and British Columbia, because he would have read of the heroism, hardships and sacrifices of their ancestors; and this sentiment would be reciprocated by the children of the other provinces, who would know that Canadians of French origin wrested Canada from the Indians; that in so doing many of them were slain; that priests and missionaries suffered martyrdom in their zeal to assure the reign of Christ; that French-Canadians of Quebec twice saved this country for the British Crown, and that all through our history great men of that province had at heart respect for the treaty which ceded Canada to England.

From this common knowledge and mutual respect would be born a union of good will and energy entirely Canadian in purpose. This would enhance the greatness and power of the Dominion, which could not be assured, indeed might be endangered, without a better understanding between both sections of the majority of our people and their united attachment and devotion to Canada.

I hope I shall live to see this fraternity established between those of English and of French descent. In order to hasten this very desirable development, let us search our hearts and souls, to find out what sincere patriotism can suggest of idealism and yet of realism, so that our hopes may not remain merely a dream. Let us encourage reciprocal respect and esteem among Canadians. Let us be proud of being citizens of Canada. Let us express our joy because of living here. Then will Canada be for all of us our only motherland, and we shall have the satisfaction of knowing that our schools have attained what should and must be their ultimate goal: the culture and education of better and more understanding Canadian citizens.

Hon. C. C. BALLANTYNE: Honourable senators, I rise to thank the honourable gentleman from Sorel (Hon. Mr. David) for the eloquent manner in which he has submitted this important motion for our consideration.

If I understand the honourable senator correctly, he proposes the creation of a committee of impartial and competent historians to prepare a history of Canada from the time of its discovery by Jacques Cartier. I agree with him that it is essential that our young boys and girls should be afforded every opportunity of becoming thoroughly informed about the history of their glorious country, and I share his hopes that all the provinces will agree on a common text-book.

If such agreement is reached, I hope the body of historians chosen will set forth in the text-book the fullest historical information, province by province, with respect to: the heroic martyrdom of the early missionaries who gave their lives for Christianity; the outstanding events in the lives of the noted men that ruled Canada under both the French and the British regime; the great merchant adventurers who established our fur trade; and those men to whose wisdom and courage we owe our first transcontinental system of transportation—the Canadian Pacific Railway. The proposed text-book should also describe our form of government before Confederation,

and our steady growth to Dominion status as a member of the British Commonwealth of Nations. I think this is particularly necessary because—though it may be rather unkind on my part to say so—many of our youth from the Atlantic to the Pacific coast are not at all as familiar with the history of their country as they should be.

I should like this proposed text-book to make special reference to Canada's position as the leading Dominion in the British Commonwealth of Nations—or, if you prefer, the British Empire. No matter what our racial origin may be, we all are very proud of Canada; we are Canadians first; but we are also proud that Canada is a part of the British Commonwealth of Nations. I hope the proposed history will relate how advantageous our British connection has been to us, and how absolutely necessary it is that that connection should be continued without impairing our autonomy in the slightest degree.

If all this can be embodied in the proposed text-book, then we all shall have good reason to thank the honourable gentleman for bringing this subject to our attention. If we are to have a greater degree of unity in our love for Canada and the Empire, it must be founded on a uniform text-book of Canadian history for use in our schools from one end of the Dominion to the other. I am fully in accord with the motion.

Hon. NORMAN P. LAMBERT: Honourable senators, I wish to associate myself briefly but most cordially with the resolution which the honourable senator from Sorel (Hon. Mr. David) has presented to us so eloquently. To realize the objective he has so ably set forth, two essentials are necessary. First of all, the provincial representatives who assemble at the proposed conference to be held in the near future must be actuated by a common appreciation and understanding of the truly Canadian aspiration reflected in this resolution; and secondly, if that common denominator can be found and expressed in the form of a committee to supervise such a task as has been indicated, a great literary artist with Canadian experience and sound judgment will have to be found to write our history as it should be written.

To present the problem involved in our honourable colleague's resolution in words which seem to me most appropriate, I should like to quote a brief extract from a little book recently published, which has been received with much attention throughout Canada. The author, Dr. E. K. Brown, is a brilliant young Canadian who, after serving as a professor in two of our universities, is now the head of the department of English at Cornell University in the State of New York. I quote from a critical essay which he wrote, and which within the last few weeks earned the Governor General's annual award for the most outstanding production in the Canadian field of letters for the current year. This is what it says:

> Canada is not an integrated whole. The Maritime Provinces recall the days—only seventy-five years in the past—when they were separate colonies; Nova Scotia, for instance, has re-established its colonial flag, dating from the eighteenth century, and flying now from the Province House at Halifax; French Canada is a civilization apart; Ontario unconsciously accepts itself as the norm of Canadian life; the Prairie Provinces are steeped in their special vivid Western past; and British Columbia has a strong sense of its pre-Confederation life and of its continuing separate identity. Geography confirms this influence of history. Ontario is separated from the Maritime Provinces by the solid enclave of Quebec; between the populous southern part of Ontario and the prairies, the Laurentian shield interposes another huge barrier; and this barrier is no stronger, if broader, than the Rocky Mountains create between the prairies and the coastal province of British Columbia. There is little doubt that the Fathers of Confederation, or the majority of the leaders among them, expected and planned for a much more unified whole than has so far come into being. In time of war the tendency to self-aggrandizement on the part of the provinces is arrested, and even reversed; but there is ground for fearing that the return to peace will start it into vigorous being once more. Among most Canadians there is little eagerness to explore the varieties of Canadian life, little awareness how much variety exists, or what a peril that variety is, in time of crisis, to national unity.

In these graphic words Dr. Brown has shown conclusively, I think, that the development of this country up to the present time definitely has been based on the geographical and physical divisions of the Dominion. If an adequate Canadian history were being written to-day, possibly it would have to assume a composite form—a series of pictures or examples. There is an old classical proverb which comes to my mind. If I remember it correctly, it says that history is philosophy derived from examples. If that be true, then the philosophy of Canadian patriotism most certainly is the end to be sought in the teaching of history throughout the schools of this country, and for that reason, honourable senators, I feel certain that everybody in this Chamber most heartily will wish godspeed to the project which has been presented by the honourable senator from Sorel to-day.

Some Hon. SENATORS: Hear, hear.

Hon. GUSTAVE LACASSE (Translation): Honourable senators, you have just heard a very eloquent speaker from the old province of Quebec introduce, in the English language, a most important resolution. It might now

interest you to listen to a speaker from Ontario, the greatest Anglo-Saxon province of the Confederation, seconding that motion in French. In fact, this gesture, it seems to me, holds a very special significance in these circumstances, since it complies spontaneously with the desire of the honourable senator from Sorel (Hon. Mr. David) to achieve a unanimous understanding.

Moreover, in the past there have been instances similar to the one for which I am responsible to-day. For certain statesmen, rejected by their own provinces when seeking election to the House of Commons, found in a neighbouring province the sympathetic welcome which enabled them to sit in the nation's Parliament. You know, of course, that I am referring to La Fontaine and Baldwin. The illustrious La Fontaine, defeated in his own province, sought to be elected in Ontario; and, reversing the role, the Honourable Mr. Baldwin qualified in the county of Rimouski, I believe.

Such an incident in our political history shows that in spite of the difficulties entailed by various events, there is always enough good will, on either hand, to find some common ground of understanding symbolizing the new spirit linking us together.

I should like to congratulate the honourable senator from Sorel upon the extremely tactful manner in which he handled the matter introduced in the resolution. And it is with gratitude and deep-felt interest that I emphasize the highly favourable support given his remarks by the honourable leader opposite (Hon. Mr. Ballantyne) and also by my Ontario colleague (Hon. Mr. Lambert). This bids fair for the outcome of the debate which was initiated under such auspicious circumstances.

The turn of the debate might surprise some people who expected a purely academic discussion. Perhaps an inference was drawn, in certain quarters, that as the Senate had very little to do, it would resolve itself into some sort of literary academy, and that for this purpose the figure selected for the inauguration of its new functions, none other than the former Provincial Secretary of Quebec, was a particularly happy choice, since he is renowned for his moving eloquence and his polished literary culture. Well, honourable senators, such an inference is unfounded. I am among those who believe in the great importance of this resolution introduced by the honourable senator from Sorel, since nothing can do more to direct the future of the country along ideological and psychological channels than the education given in our primary schools to the generations of to-morrow. Moreover, that fact, even before it dawned on us, perhaps, was well understood by the powerful leader of the Hitlerian hordes, whom we are now fighting, when he decreed the use of his famed Mein Kampf in all the schools of Germany. That book soon became the Bible or new political catechism of the Germanic empire, with the results we are experiencing to-day.

May I take this opportunity of mentioning a simple fact that will prove the importance and especially the desirability of the resolution introduced by the honourable senator from Sorel? Travelling one day between Windsor and Ottawa, as I often do during adjournments, I chanced to meet a Canadian officer hailing from Saskatchewan. He was a sympathetic fellow-traveller, a delightful companion with whom I soon struck up an acquaintance, and he readily told me his life story. He was born in Scotland and had lived in Saskatchewan some twenty-odd years. I asked him, since he wore the insignia of the Canadian soldier, if he really considered himself a soldier of Canada. He answered: "Absolutely. Canada is now my country, and I am proud to defend her overseas." "Very well, my good friend," I replied, "but may I ask if you know something of the genesis of the country for which you are willing to shed your blood?" I quote his textual reply: "The only thing I know about Canada, outside of my own province of Saskatchewan, is that the Governor General is the Earl of Athlone." That was all he, a citizen and soldier of Saskatchewan ready to give his life for "his" adopted country, knew about Canada as a whole. True, he arrived in the Dominion too late to learn about it in primary school, but during the twenty years he spent among us he ought, I think, to have had some opportunity of becoming familiar with the history of the country in whose service he is fighting. Honourable senators, such a fact, brought to light by chance, justifies at once the resolution introduced by our honourable colleague.

I have no intention of speaking at length on the motion this afternoon. I do not want to deprive other colleagues from the right of continuing the debate, but in view of the fact that I took the responsibility of rising when I did, I believe it is now my privilege to move the adjournment of the debate. Therefore, I so move.

The motion was agreed to, and the debate was adjourned.

PRIVATE BILLS

REFUND OF FEES

Hon. Mr. HAIG moved:

That the Parliamentary fees paid upon Bill I3, intituled: "An Act to incorporate The Executive Board of The Canada Conference of

The Evangelical Lutheran Augustana Synod of North America," be refunded to Messrs. Keith, Maybank & Keith, Winnipeg, solicitors for the petitioners, less printing and translation costs.

The motion was agreed to.

REFUND OF FEES

Hon. Mr. LAMBERT, for Hon. Mr. Hayden, moved:

That the Parliamentary fees paid upon the Bill C, intituled: "An Act to incorporate Wesleyan Methodist Church of America in Canada," be refunded to Messrs. MacCraken, Fleming, Schroeder & Burnett, Ottawa, solicitors for the petitioners, less printing and translation costs.

The motion was agreed to.

THIRD READING

Hon. Mr. FARRIS moved the third reading of Bill B, an Act respecting Vancouver, Victoria and Eastern Railway and Navigation Company, the Nelson and Fort Sheppard Railway Company and Great Northern Railway Company.

He said: Honourable senators, when this Bill was before committee I stated that I would repeat in the Senate certain information which was given to the committee. My reason for doing so is that the Bill has to go to the other House, and a short statement to supplement what I said on second reading may be of use.

The object of the Bill is to simplify the corporate structures and holdings of the Great Northern Railway Company and its subsidiary corporations, by reducing the number of separate corporations, and thereby also to avoid many complications that are caused by the present set-up. This proposal is in line with the general policy of the company. The company has already, by purchase or liquidation, acquired the properties of all its railway subsidiaries in the United States, and now desires to complete its programme in this respect by acquiring its Canadian railway subsidiaries.

In support of this proposal, the company submits the following statement of facts. The Canadian lines are already generally considered and referred to as "Great Northern." The Great Northern Railway Company name appears on ticket offices, stations, engines and trains in Canada, as well as on letter-heads and stationery used in Canada. Communications and official notices from Government departments, letters from shippers and the public, and in some cases court documents intended for the Canadian companies, are often addressed to Great Northern Railway Company. This results in considerable confusion; and in the case of official notices and court papers it gives rise to legal questions.

The Canadian company has no freight or passenger equipment, no train or engine crews of its own, and no separate officers of its own. These are supplied by the Great Northern Railway Company. So the proposal in this Bill would require no change in the methods of operation or employment, as far as the public and labour are concerned.

The track mileage owned, operated or leased by the Vancouver, Victoria and Eastern Railways Company is 124·43 miles, all in British Columbia. The mileage owned and operated by the Nelson and Fort Sheppard Railways Company is 54·84 miles, and in addition the company has leased or acquired running rights over 6·06 miles of Canadian Pacific Railway track.

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

UNITED NATIONS RELIEF AND REHABILITATION BILL, 1944

THIRD READING

Hon. Mr. KING moved the third reading of Bill 84, an Act for carrying into effect the agreement for United Nations relief and rehabilitation administration between Canada and certain other nations and authorities.

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

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill Z3, an Act for the relief of Margaret Millar Short.

Bill A4, an Act for the relief of Mary Annesley Iverson.

Bill B4, an Act for the relief of Annie Drewniak Sonberg.

Bill C4, an Act for the relief of Celia Zlatkes Azeff.

Bill D4, an Act for the relief of Louisa O'Tool Shelley.

Bill E4, an Act for the relief of Miriam Schwartz Silcoff.

THIRD READINGS

The Hon. the SPEAKER: Honourable senators, when shall these Bills be read the third time?

Hon. Mr. COPP: Honourable senators, owing to the fact that we are to have a rather long adjournment, if there is no objection I would move that these Bills be now

read the third time, in order that they may be sent over to the other House for consideration.

The motion was agreed to, and the Bills were severally read the third time, and passed, on division.

ECONOMIC RECONSTRUCTION AND SOCIAL SECURITY

DEBATE CONCLUDED—MOTION WITHDRAWN

The Senate resumed from Thursday, April 27, the adjourned debate on the motion of Hon. Mr. Beauregard:

That it is expedient that this House should get ready without delay to study the legislation which will be brought before it—constructive or remedial legislation—intended to safeguard, immediately after the termination of war production, the economic life in each of the provinces of the country; and for this purpose to constitute among its members a committee of economic studies, as representative as possible, which will be empowered to investigate the normal production in each province, the standard of living, the employment capacities, the conditions of labour, the openings, and, for this purpose, to invite and hear representatives from farmers, labourers, transport companies, the industrial and commercial world concerning their preparation and their concrete projects for the post-war.

Hon. ELIE BEAUREGARD: Honourable senators,—

The Hon. the SPEAKER: I would remind the honourable gentleman that if he exercises his right to speak now he will close the debate.

Hon. Mr. BEAUREGARD: Honourable senators, in closing this debate I have no intention of reviewing at length the approval and criticism that the motion received from both sides of the House. I may be permitted to say that I greatly appreciate the support it was given by honourable members who look at the things to which it relates from the same angle as I do, and, more particularly, the unreserved endorsation by my seconder, the honourable gentleman from Kennebec (Hon. Mr. Vaillancourt), as well as the merits of his own grounds for approval.

This motion has been on the Orders of the Day for more than a month. Since the honourable leader on this side of the House (Hon. Mr. King) made his kind remarks in favour of the motion and honourable members discussed briefly the committee to which it should be referred, things have changed. It is no secret that from every corner of this Chamber I am now invited, openly and semi-privately, to withdraw the motion, on the ground that it might embarrass the Government.

Before considering this point, let us see what the motion calls for. It calls for an investigation to be conducted by this House, not so much for the purpose of fostering employment as of decentralizing employment and combating bureaucracy.

The motion is divided into two parts. The first part, the preamble, invites honourable members to prepare themselves for most momentous pieces of legislation, both remedial and constructive, which this House may be called upon to ponder before long; and the second part suggests that the necessary thorough preparation be accomplished by means of an investigating committee. The motion has nothing racial, parochial or sectarian about it. Its scope is national, with a marked tendency to favour remote parts of the country. But it invites honourable members to consider the problems of reconstruction and employment in terms of provinces, because the provinces have, and for a great many reasons are bound to have, individualities, modes of living, resources and needs of their own.

I may have to apologize for the wording of the preamble, which calls for honourable members to inform themselves in preparation for legislative measures that will come before the Senate. I have confessed my personal need of additional information, and in that respect I have nothing to withdraw; but I feel that I was wrong in taking it for granted that my shortcomings were common to other honourable members.

It has been said that in the other House, and in the Senate as well, a great mass of information has been accumulated. Of that I am not entirely ignorant. I have read everything that I have been able to lay my hands on concerning the subject-matter of the motion. I do not mean that I have read literally everything available—far from it—for in the matter of national political economy I am inclined to value only what is clear, right to the point, practical and custom-tailored for the person for whom it is intended.

By the way, one of the most informative briefs that have been filed with the House of Commons Special Committee on Reconstruction and Re-establishment came from the Premier of Saskatchewan. It is printed in the proceedings of that committee for Wednesday, April 19, 1944. I should say that if the whole ground had been covered in the same plain and practical manner, my motion would have been worded differently—it would have been reduced to a warning against bureaucracy.

I am not entirely without excuse for wanting further information as to the possibility of decentralizing employment. I have just received a copy of Bill 82, entitled "An Act to establish a Department of Reconstruction,"

which was given first reading in the other House on April 17 this year. Clause 6 of the Bill sets out the powers of the Minister in these words:

The Minister, to enable him to perform the duties imposed upon him by this Act, may:

(a) institute any inquiry deemed necessary by him to obtain information respecting reconstruction plans, and for such purpose may, with the approval of the Governor in Council, appoint a person to conduct any necessary inquiry and a person so appointed shall have the authority of a commissioner appointed under Part I of the Inquiries Act, and the provisions of the Inquiries Act shall apply in respect of any such inquiry;

(b) require of any person in Canada a return of information which the Minister may require relating to reconstruction;

(c) consult with representatives of primary producers, industry, science and labour upon any question connected with reconstruction;

(d) establish committees or boards and use existing organizations and agencies to assist him in carrying out the purposes of this Act;

(e) inaugurate conferences of representatives of primary producers, industry, science and labour as well as representatives of Dominion, provincial and municipal authorities engaged or likely to engage in any reconstruction plan.

Notwithstanding the mass of information accumulated, it is evident that the scope of the special inquiry which it has been found necessary to empower the Minister to conduct is by no means narrower than the one suggested in my motion submitted to honourable members a month ago.

The wording of clause 6 in the very bill creating the Department of Reconstruction is so far the best reason I know of to justify withdrawal of the motion on the ground of embarrassment to the Government, although the information secured by the Minister may not be available to us when we are asked to pass judgment on measures initiated by the Department.

While on my feet I may as well reply to some of the reasons which my esteemed colleague from Winnipeg (Hon. Mr. Haig) brought forward in a good-natured but direct appeal to me to withdraw my motion. The honourable senator possibly knew, or at all events now knows through Bill 82, that the Government is not satisfied with the information already on record and does not consider that the questions involved have been fully examined.

Besides that, a very important matter of principle is involved in what the honourable gentleman said as to the duty of the Senate towards minorities and this being an inopportune time for intrusion by us into federal-provincial relations.

As to any such intrusion, I can hardly see how the question is raised at all by the wording of the motion. I thought I had made it amply clear—not to speak of the ability of the Senate to remove any ambiguity by a minor amendment—that my purpose at least was not to disturb the present set-up of those relations, but only to use in the fullest possible measure provincial facilities for distributing employment to the four corners of each province. As I see it, to use provincial facilities is exactly the opposite of seeking, by means of an amendment to the British North America Act, to turn provincial facilities into federal facilities.

To my knowledge the Senate has made itself well acquainted with various provincial problems—for instance, grain and coal questions—without disturbing provincial rights. At first sight it might appear that the mechanism of any construction measure would disturb these very rights if the federal Government sought to invade permanently the provincial field rather than take advantage of provincial facilities.

The honourable senator from Winnipeg has, quite properly, contended that the question of minorities is involved in the motion. But the minority concerned is not a racial nor a religious minority. It is not even the minority of the smaller provinces only, but the minority of the thinly populated areas—and these happen to be in the larger provinces as well as in the smaller—which has to be protected through decentralization. The Senate is the protector of every minority in this country. For the purpose of executing its mandate, I fail to see why the Senate, as part of the Parliament of Canada, could not, or should not, take the initiative and give the warning, even if minorities happen to be represented in the other house.

If we dare not speak our minds on such matters before full information is gathered and the necessary measures are drafted, how shall we, when those measures are presented to us for our concurrence, have the courage to reject them on the principle that they appear to be inequitable to the minority in remote districts or that they foster centralization?

My honourable colleague concluded his remarks by suggesting that if the federal-provincial conference does not bring results, or if the measures submitted by the Government are unsatisfactory, it will then be opportune for the Senate to take the lead and force the Government and the Commons to act. I am afraid the task will then be too heavy and the time too late. Our opinions as to what is a successful federal-provincial conference may not agree, but that is another question.

I always pay close attention to the remarks of my honourable friend from Winnipeg. I hope therefore that I need offer no excuse for having devoted some time to emphasizing my point of view, which is in conflict with his. After all, he has won his case. As a lawyer, he knows that in a judgment what matters is not the whereases, but the order.

I have no desire to embarrass the Government. Therefore, and in view of the attitude of honourable members generally, with the approval of my seconder and of those who have expressed themselves favourably to my views I would, with as good grace as I may have at my command, ask leave of the Senate to withdraw the motion.

The motion was withdrawn.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, subject to the authority vested in His Honour the Speaker at the opening of the session, whereby in case of emergency he may call honourable members together earlier than the date set out in any motion for adjournment, I move that when the Senate adjourns to-day it do stand adjourned until Monday, May 29, at 8 p.m.

The motion was agreed to.

The Senate adjourned until Monday, May 29, at 8 p.m.

THE SENATE

Monday, May 29, 1944.

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

Prayers and routine proceedings.

APPROPRIATION BILL No. 3

FIRST READING

A message was received from the House of Commons with Bill 111, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall said Bill be read the second time?

Hon. Mr. COPP: Next sitting of the House.

SUSPENSION OF RULES

MOTION

Hon. A. B. COPP: Honourable senators, in the temporary absence of the honourable leader of the House (Hon. Mr. King), I beg to move the following motion standing in his name on the Order Paper:

That Rules 23, 24 and 63 be suspended in so far as they relate to public financial bills requiring consideration by the Senate on the 29th, 30th or 31st May, 1944.

Hon. Mr. DUFF: Would my honourable friend be good enough to explain the purpose of the motion?

Hon. Mr. COPP: Its purpose is, by waiving the customary notice for second and third readings, to enable the Senate to consider tomorrow money bills coming from the other House.

The Hon. the SPEAKER: I may explain that Rules 23 and 24 require that two days' and one day's notice respectively be given for the second and third readings of a bill. Rule 63 prohibits the reading of a bill twice the same day.

The motion was agreed to.

CITY OF OTTAWA

JOINT COMMITTEE ON FEDERAL-MUNICIPAL RELATIONS

The Hon. the SPEAKER informed the Senate that a message had been received from the House of Commons reading as follows:

Resolved,—That a Joint Committee of the Senate and House of Commons be appointed to review the special problems arising out of the location of the seat of government in the City of Ottawa and to report on the relations between the federal Government and municipal authorities of the said city and their relative responsibilities in respect of such problems with power to inquire into the matter and things therein referred to:—

That the said Committee consist of the following: Messrs. Boucher, Côté, Déchène, Gregory, Hill, Knowles, Marshall, Matthews, McIlraith, McLean (Simcoe East), O'Brien, Pinard, Purdy, Reid, White.

That Standing Order 65 of the House of Commons be suspended in relation thereto:

That the Committee shall have leave to sit while the House is in session;

That the said Committee shall have power to send for persons, papers and records and to report from time to time.

That a message be sent to the Senate to acquaint their Honours that the House of Commons has appointed this Committee and to request their Honours to appoint members of the Senate to act thereon with the members of the House of Commons as a Joint Committee of both Houses.

Honourable senators, when shall said message be taken into consideration?

Hon. Mr. COPP: Next sitting of the House.

THE LATE SENATORS POPE AND B. F. SMITH

TRIBUTES TO THEIR MEMORY

On the Orders of the Day:

Hon. A. B. COPP: Honourable senators, unfortunately, since the House took recess some three weeks ago, two of our colleagues, Honourable Senator Pope and Honourable Senator B. F. Smith, have passed from our midst. In the absence of the leader of the House (Hon. Mr. King) I am going to ask the honourable member from Wellington (Hon. Mr. Howard), a colleague of Senator Pope's in the Eastern Townships, to make reference to his passing.

Hon. C. B. HOWARD: Honourable senators, I rise to-night to pay tribute to the late Honourable Senator Rufus H. Pope. Senator Pope has been the Eastern Townships representative from Bedford district in this honourable House since 1911. By his passing ten days ago the last connecting link between the Eastern Townships and that great Canadian statesman Sir John A. Macdonald has been broken. Senator Pope knew Sir John intimately and was one of his personal friends and supporters.

Senator Pope came from a distingushed family, whose history is in great part identified with that of the Eastern Townships. His father, John Henry Pope, was Minister of Agriculture prior to Confederation, and after Confederation was Minister of Railways in the cabinet of Sir John A. Macdonald. At the time of Canada's first railway venture, John Henry Pope went to England with the then Premier, to secure funds for the construction of the Canadian Pacific Railway, and it is a well-known fact that it was due to Pope's influence that English financiers invested their capital in what then seemed to be a wild-cat gamble, but which since has proven its great merit. To his long-range vision, backed by his faith in the Eastern Townships and his personal energy and ability, is due the construction of the Megantic & Kennebec Railway, now a part of the Canadian Pacific main line from Sherbrooke going East.

John Henry Pope had two children, a daughter and a son. The daughter became the wife of Hon. W. B. Ives, Secretary of State in Sir John's cabinet, thereby causing a most unusual coincidence, namely, that of a son-in-law serving concurrently in the same cabinet with his father-in-law. The son was the late Senator Rufus H. Pope, our deceased colleague.

The late Senator followed in his father's footsteps, replacing him as member for Compton in 1889, and being re-elected in 1891, 1896 and 1900. Again in 1904 and 1908, he was a candidate, and in 1911 he was called to the Senate. In politics he was a Conservative and an Imperialist; his outstanding service to Compton was in the role of "Greatest Warrior" for his party. Always true to his Imperialism and to the Conservative party, he feared no one on the public platform and was recognized as an outstanding orator of his time.

The late Senator Pope had three sons and a daughter. The daughter, Ethel, has one son serving in the Canadian Navy on convoy work in the North Atlantic. Of the three sons, Colin has two sons who served with the Canadian Army at Hong-Kong, and who are now prisoners of war in the hands of the Japanese. Henry has a son in the Canadian Army, now fighting in Italy, and the only child of Ives, named Rufus for his grandfather, Senator Pope, gave his life in the service of the Canadian Navy when the corvette Margaree was sunk on convoy duty in the Bay of Biscay.

The passing of Senator Pope marks the end of a definite epoch in the development of that marvellous section of Canada, the Eastern Townships of Quebec.

Hon. Mr. COPP: Honourable senators, after associating myself entirely with the tribute just paid to our late colleague Senator Pope, it is my sad duty to say a word with respect to the passing of my colleague from New Brunswick, the late Senator Smith, whose death followed within four days that of Senator Pope.

Senator Smith was born at Jacksonville, New Brunswick, in 1865. He was of United Empire Loyalist stock, a son of George Frederick Smith. He received his early education in New Brunswick, at Collina school, and later entered the field of business as a wholesale produce merchant, becoming President and Director of B. F. Smith, Limited, and of the St. John Valley Exchange.

The senator had a long and active public life, first contesting Victoria-Carleton in 1903 for the House of Commons and the Legislature. In all he contested eleven elections, both provincial and federal, and was successful in eight. He was Minister of Public Works for New Brunswick in 1916 and 1917, and provincial organizer for the Conservative party in 1928. He was summoned to the Senate on August 14, 1935.

Senator Smith was a man of kindly, sympathetic temperment, and had many friends, not only in his home province, but throughout the Dominion. A few years ago he thought he would start in the lumbering business again, in which he had been engaged in his

early days in New Brunswick. Hearing of a good prospect in British Columbia, with characteristic vigour and optimism he went to that province and got under way a sizable venture. Unfortunately a fire played havoc with his enterprise. The senator returned to the East, but during his brief residence in the West made many good friends, who still remember him.

I conclude by expressing on behalf of my fellow-members of this Chamber our sincere sympathy to the sons and daughter of Senator Pope, and to the widow and daughter of Senator Smith.

Hon. JOHN T. HAIG: Honourable members, I regret that the leader on this side of the House (Hon. Mr. Ballantyne) is unavoidably absent, for he knew both the departed senators much better than I do.

It is interesting to know, as was mentioned by the honourable senator from Wellington (Hon. Mr. Howard), that Senator Pope was the last remaining link with the Fathers of Confederation. I gather that he was the only man who sat in Parliament under every Prime Minister except the Honourable Alexander Mackenzie—a truly unique record. When I entered this Chamber Senator Pope had passed his prime, and I did not know him as well as some honourable members did. I have always regretted that he did not see fit to write his memoirs, for even though we may not agree with men politically, their memoirs are of great historical value. Sometimes in his room Senator Pope would tell anecdotes of years gone by, relating incidents in his association with Sir John A. Macdonald and Sir Wilfrid Laurier, two of the greatest Prime Ministers this country ever had. His recollections would have been of very great use to the historians of the future.

The life of Senator Pope ran beyond the allotted span. We know that he was a great Canadian, and that he had a dauntless faith in his own country and what we call the British Commonwealth of Nations, but which he preferred to call the British Empire.

I am sure that I speak for every man on this side of the House when I say that both Senator Pope and Senator Smith rendered a service to Canada that has helped to make it a great country. In this respect Senator Pope made a very outstanding contribution. His father was one of the geniuses who helped to finance the Canadian Pacific Railway, and one of the geniuses who helped to bind Canada together. And the senator in a peculiar way seemed to be proud of our country, and to have a strong faith that her future would be a great one.

As to Senator Smith, I may say I had a love for him. He did a lot of things in the open that I used to think I should like to do in secret. I admired his outspokenness, his denunciation of things he did not believe in. It may be more politic to soft-soap things once in a while, but I rather envy the man or woman who can say right out what he or she thinks. I presume I was the last one to speak to Frank in this Chamber. I was sitting here as he was walking out of the Chamber on the last day that he was present, and as he passed by he said: "Good-bye, John. I may never be back." I went to see him, and he seemed to feel that he would never again be able to come here. It was very sad.

Frank Smith made a great contribution to our country. In his earlier days he was a strong political fighter, and I suppose he made enemies as well as friends; but undoubtedly he too was inspired with a great belief in Canada and its future, and wanted to see this Dominion become one of the great nations of the world. He was at one time active in provincial politics, having been a member of the New Brunswick Legislature for many years, a good part of the time as a member of the Government. Later on he was elected to the House of Commons, and some nine years ago was summoned to the Senate. One wishes that he could have lived longer in the detached position of an elder statesman, for he had amply earned recognition by his country.

I am sure I express the sentiments of all honourable members on both sides of the House when I say that these sad events bring us up short and make us think. We do not know to whom the call will come next. So when we feel a hot word slipping out, let us hold it back. I admit that I myself am one of the worst offenders. Occasions such as this also remind us of the wonderful men and women who through the years have been planning and working to make our country greater.

Hon. Sir THOMAS CHAPAIS: Honourable senators, while listening to my honourable friend from Wellington (Hon. Mr. Howard) pay tribute to our departed colleague, the Honourable Rufus Pope, a world of memories came back to me. The Honourable Rufus Pope, whose loss we mourn, was the son of the Honourable John Henry Pope. That may hold very little meaning for certain people of the present generation; my honourable colleague knows, however, just as I do, what prestige surrounded that name some fifty or sixty years ago.

The Honourable John Henry Pope was recognized, by common consent and without any official act as the successor of another

of our great Canadian statesmen, the Honourable Sir Alexander T. Galt. Those who are slightly familiar with the political history of the country know that during the period immediately prior to the Act of Canadian Confederation, that is during the union of the Canadas, the Honourable Alexander T. Galt stood out as one of the dominating figures of our political life. All through that period Mr. Galt was the spokesman, the appointed representative—as he was its very spirit—of the Anglo-Protestant minority in the province of Quebec.

After Confederation the interplay of circumstances caused Mr. Galt to transfer his activities from one sphere to another, and he ended by representing Canada in London. And at that time, the Honourable John Henry Pope—as my honourable friend is well aware—became the appointed representative of the Protestant minority in the Province of Quebec.

If I rose from a deep-felt sense of duty towards the memory of our lamented colleague, it was also, to a certain extent, because of the train of recollections that the words of my honourable friend have evoked in me. My colleagues will perhaps forgive me—old people sometimes ramble a bit—if I recall a personal incident. The Honourable John Henry Pope was a colleague of my own father in the administration of Sir John Macdonald. Both were sincere admirers and devoted colleagues of that great Canadian statesman, whom all parties recognized, just as they did Sir Wilfrid Laurier; those two outstanding figures entirely dominated the history of Canada.

Well, at the time I speak of, the father of our lamented colleague and my own father were colleagues in Sir John Macdonald's cabinet, and both contributed to the building of the Canadian structure. Who could have told us, Rufus Pope and myself, boys of about the same age, that years later we, the sons of these men, would one day meet again in this honourable Chamber? I felt that this matter might not be without interest for my colleagues who, taking into consideration my age, will forgive me for mentioning it. Having said this, I wish to pay personal tribute to the memory of the Honourable Rufus Pope.

Most of our colleagues, seeing him in the course of our sessions laboriously enter this House with impassive countenance and listless eyes, would never have recognized the great fighter, the valiant soldier, the gallant champion who for years led the struggles of the Conservative party. He was a champion and a soldier; he was an incomparable fighter who, over a long period, carried with a firm hand the Conservative standard which, in the East-

ern Townships, was the prey of winds far less favourable than those that prevail to-day. Under a gruff exterior he was a man of fine character. You know as well as I that his rather rugged appearance hid a very noble heart. He was a sincere and a devoted friend and a political friend. He was certainly a party man, and it would not become us to conceal it.

This House still numbers party men whose vigour has been subdued by the flight of years, but who remember the struggles of days gone by. When I think of what I was at one time and what I may become, I am inclined to include myself as one of them. Thank heaven! all of us, in the atmosphere of this House, have reached the stage where we make amends; we utter our "mea culpa." There comes a time in life, however, when we are no longer young and dare not fight vigourously, but when we can struggle for a cause. Perhaps we do not spend enough energy on causes. Yes, men are fighting all over the world to-day, and in the blood-stained provinces of Europe the conflict goes on for a cause. That one overrides all petty and peculiar disputes and minimizes our party struggles. We can certainly throw ourselves heart and soul into this great cause. My honourable colleague from Wellington recalled, a while ago, that though we shed our blood for a sacred cause we do not shed it for political causes. There is none the less a generous quality in the enthusiasm of a man like Rufus Pope, who flung himself into battle to defend his point of view.

Honourable colleagues, I regret having allowed myself to be carried away by my feelings. In recalling memories dear to me I thought I would, after my own fashion, lay a wreath of flowers on the grave of our departed colleague, the flowers of memory, of regret and of the deepest heart-felt sympathy for the members of the family he has left behind.

Hon. J. J. DONNELLY: Honourable members of the Senate, with all that has been said about our late colleagues I am fully in accord. I must admit that I could not understand the words spoken in French by my honourable friend who immediately preceded me (Hon. Sir Thomas Chapais), but I have so high a regard for him that I have no hesitation in endorsing his remarks.

The late Senator Smith took an active part in the business of the Senate for the last eight or nine years. His many good qualities are well known to all of us. As was said by the acting leader on this side (Hon. Hr. Haig), he was willing to stand up for what he believed was right. I always found him a kindly and earnest man. I have a distinct recollection of

the very pleasant and cheerful greeting with which he met me in the corridor the last time I saw him. I left Ottawa the next day and it was a shock to hear over the radio a few days later that he had passed on.

My principal reason for rising at this time is that I was more or less intimately associated with the last Senator Pope for more than forty years. The eloquent and kindly remarks made by the honourable senator from Wellington (Hon. Mr. Howard) have left me very little to say. I thank the honourable senator for his kind references to my old friend. Senator Pope's interest in public life went back many years. He was first elected to the House of Commons in 1890—that is fifty-five years ago, a long time. My first association with him was in 1904, when we both were members of the House of Commons. I may say that I roomed with him for a time in the House of Commons, as I did later for a time in the Senate. Back in 1904 we lived at the same hotel, the old Grand Union—now a public building—on Elgin street. If there was a parliamentary restaurant at that time, it was a very small affair. At the hotel there was a long table, where eight or nine members met for meals. Mr. Pope was the life of the party; he was always cheerful, always had something interesting to say, and in general helped to make life pleasant.

One characteristic of his that I remember from those days was his fondness for the open air. His idea of spending a week-end was to hire a horse or a team and go for a drive out in Carleton county or along the Gatineau river. That was before the power development on the Gatineau, and the scenery along the river was beautiful. I had the pleasure of sharing many trips with him.

In those days members of the House of Commons, except the leaders and two or three others, did not have private rooms. Our party, composed of seventy members—we were in opposition at the time—had one large room, in which there was a table about forty-five feet long. After the addition was built in 1906-07 private rooms became much more common. Perhaps this is a little aside, but I do not think the giving of rooms to members, either in the Senate or the House of Commons, was an unmixed blessing. It seems to me that the fellowship that resulted from the meeting of seventy members in that large room, where we spent most of our time, had a highly beneficial effect. We got to know one another thoroughly, and a strong feeling of comradeship developed; and at the same time through those associations we came to learn a great deal about different parts of the country. I personally have very pleasant recollections of the time we spent together in that one large room.

Getting back a little more closely to Senator Pope, I know that some people say his language was characterized more by vigour than by polish. When we hear that comment we should remember that Senator Pope really belonged to an earlier generation; to days when, under the two-party system, political views were very strong. In election campaigns of those times there used to be joint meetings, and if the opponents for office did not put up a good show the electors felt they were mistreated, not being given a fair deal. Senator Pope got his early political experience down in the Eastern Townships, campaigning for his father, who at that time was a cabinet minister, and of course he adopted the methods of the other campaign speakers. It would be only reasonable if some of the characteristics he developed there remained with him throughout his life.

I do not think Senator Pope made any great effort to get a large fortune together. He was different from most people, in that he preferred to give rather than to receive. He got more pleasure out of doing good for his fellow men than out of trying to accumulate wealth. His home was an open house alike to neighbours and to people from distant parts, whether friends or strangers. The high regard in which he was held by the then leader of his party was shown by the fact that when Mr. R. L. Borden—afterwards Sir Robert Borden—came to power, in 1911, the first man whom he recommended for a senatorship was Rufus Pope.

A fellow member reminded me to-day of a remark I made in this Chamber five or six years ago, that Rufus Pope was a diamond in the rough and made no effort to parade his better qualities, in fact rather tried to obscure them. I thought at the time I was right in my estimate of his personality, and I still think so. I had the privilege of being intimately acquainted with him, and I can assure honourable members that he was kindly at heart and a good-living man. I feel that in the passing of Rufus Pope we have lost a man who was one of the most striking characters in the public life of this country, at least since the early part of this century.

I join with other senators in extending sympathy to the members of his family.

Hon. GEORGE B. JONES: Honourable senators, I rise to add my tribute to an old and esteemed friend, Benjamin Franklin Smith. I had the pleasure of knowing him for more than fifty years. I met him intim-

ately for the first time in 1896, when Sir Charles Tupper, called back from England to lead the Conservative party, addressed a meeting in the old Mechanics Institute at Saint John.

I do not suppose that any member in this Chamber or in the other ever fought so many elections for his party as did Franklin Smith. He won and he lost, but always he met defeat quite cheerfully. His first successful election was for the New Brunswick Legislature in 1903, when he ran in Carleton county, where he was born. There were six candidates, three Conservative and three Liberal, and when the poll was counted the whole six were within one hundred votes of each other. As my friend from Westmorland (Hon. Mr. Copp) has stated, in March, 1908, Franklin Smith was again a candidate for the provincial Legislature and was again elected. That is when I also became a member of the Legislature. In the following fall a federal general election took place and Franklin Smith resigned his provincial seat and ran for Carleton county, but was defeated. In what is now known as the reciprocity election of 1911 Franklin Smith was again a candidate for the Conservative party, his opponent being the late Hon. F. B. Carvell. As many honourable members will recall, it was a very keen campaign from one end of Canada to the other, but particularly so in Carleton county. Mr. Carvell was declared elected by a majority of eleven. Many thought that Franklin Smith was elected, for the returning officer, having declared Carvell elected, next day took flight to the United States, and never returned.

Some Hon SENATORS: Oh, oh.

Hon. Mr. DUFF: He believed in reciprocity.

Hon. Mr. JONES: At a by-election in 1915 Franklin Smith was again elected in his own county as a member of the provincial Legislature. In the following year he was appointed Minister of Public Works and was re-elected. In the general election of 1917 he was again successful, but his party was defeated. In the general election three years later he was defeated by a United Farmers candidate. At that time the United Farmers party was quite strong all over Canada, and especially in some of the farming districts in New Brunswick, although it never attained power in that province. In the federal general election of 1921 he was again defeated by a United Farmers candidate. In 1928 he was appointed provincial organizer of the Conservative party and visited every constituency. In the federal general election two years later he was returned to the House of Commons. As honourable members are aware, he was appointed to the Senate in 1935.

Franklin Smith was a good business man. Early in life he opened a grocery business at Saint John. In 1895 he decided to go back to his old constituency, and engaged in business at East Florenceville, where he continued to reside. At one time he was carrying on one of the largest and most profitable businesses in the valley of Saint John, a fine fertile country. The farmers in Carleton county are large growers of potatoes, and have their ups and downs. Some years they have barrels of money; other years they are obliged to give notes and other securities for fertilizer and seed. Franklin Smith held a large number of promissory notes when hard times struck the potato farmers. One day he made a bonfire of more than $40,000 worth of their securities, and advised all those indebted to him to forget their indebtedness and try to make good from then on.

Franklin Smith also engaged in the lumber business in New Brunswick and, as has been stated, he went out West, where he was very successful in a similar enterprise, until burned out. To my knowledge Franklin Smith was a wealthy man on three or four occastions, but he was a great plunger, especially in the potato business. At one time he was reputed to be the largest grower and shipper of potatoes in the Maritime Provinces.

Not only did Franklin Smith find time to look after his business affairs and run elections, but he was also an active supporter of the church of his fathers, the Baptist Church. He contributed liberally to its support and took an active part at general conferences.

I deeply regret the passing of Franklin Smith. I knew that for the last couple of years he had been in failing health, but his mind was clear, and little did I think three weeks ago that to-day we should be called on to mourn his loss. I extend my sincere sympathy to his wife and daughter.

Much has been said in commendation of the late Senator Rufus Pope. I had the pleasure of knowing him for more than forty years. In the general election of 1904 he came down to the constituency that I had the honour later on to represent, and spoke most effectively. He was certainly a great campaigner and a forceful speaker. Senator Pope's family hold a very distinguished record in the Eastern Townships. I join in the expressions of sympathy to his relatives.

CANADIAN HISTORY—UNIFORM TEXT-BOOK

DEBATE CONTINUED

The Senate resumed from Thursday, May 4, the adjourned debate on the motion of Hon. Mr. David:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that, at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial Governments in all schools under their direct or indirect jurisdiction or control.

Hon. GUSTAVE LACASSE: Honourable senators, I need not repeat what I said when I adjourned the debate on the motion proposed by my honourable friend from Sorel (Hon. Mr. David). Perhaps, however, I should add a word of sympathy to the congratulations I addressed to him on that occasion, for it so happens that the opportuneness of his motion has since been challenged in a full-dress debate on this issue in the Legislative Assembly of Quebec. Replying to strongly voiced disapproval by the leader of the Opposition of adoption of a uniform text-book of Canadian history for use throughout the whole Dominion, the Provincial Secretary, Hon. Hector Perrier —who, ex-officio, heads the Conseil de l'Instruction publique in Quebec—took the same stand as we do, and I compliment him also on that score.

Perhaps I should say also that, at least so far as I am aware, the motion which we are now discussing failed to evoke in the daily press of Canada at large the echo, which, because of its paramount importance, one would have expected. This is a matter of regret. The weekly press, mainly the French weekly press, commented upon it much more generously, although, as a whole, not in favourable terms. This is regrettable, because there is nothing in the motion which justifies apprehension on the part of the French minority, or in any way threatens their rights or challenges provincial autonomy, provided the plan is carried out in a fair, impartial and intelligent manner.

Let us, in order to refresh our memory, look over the motion again. This is how it reads:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine Provinces of our Confederation may be pleased to appoint a Committee composed of the most impartial and competent historians as such recognized in each Province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments in all schools under their direct or indirect jurisdiction or control.

I fail to find in that motion anything of a provocative nature, or anything that should either directly or indirectly arouse suspicion or jeopardize the prestige of anybody. The motion is purely and simply a respectful recommendation by this Chamber to the respective provincial governments, that they, by collective action, do away with a method of teaching history which so far has been in no small measure one of the causes of the general misunderstanding from which our young and fast-growing nation has been suffering. The initiation of any step of the kind suggested by the motion of my honourable friend from Sorel is a splendid attempt to remedy a situation which never should have existed; in other words, it would lead to a greater measure of national unity if, as the honourable senator himself so aptly said, it is properly carried out.

Following the kind suggestion of one of my honourable colleagues, since we last adjourned I have communicated with the Ministers of Education in all the provinces of Canada. All but two have favoured me with prompt and courteous replies, sending me, as requested, the text-books on Canadian history at present in use in the primary schools of their respective provinces. It is these books that I have before me on my desk at this moment. My purpose in asking for these volumes was to compare, for the information of this House, certain excerpts relating to the same historical events. When I have done that I shall let my hearers draw their own conclusion.

Before I do that, however, may I quote the letter I received from the Prime Minister and Minister of Education of my own province of Ontario. It is dated May 13, and reads as follows:

Dear Dr. Lacasse:

I am having mailed to you to-day the two text-books which are authorized in the elementary schools of Ontario for the teaching of Canadian history. They are "A First Book of Canadian History" by W. Stewart Wallace, and "Reader in Canadian Civics," by the same author.

I will be greatly interested to hear what further developments take place in regard to the discussion of this extremely important subject.

Yours sincerely,

George Drew,
Prime Minister and Minister of Education of Ontario.

Mr. Drew is not the only Minister from whom I received a letter stating emphatically that this question is of paramount importance, irrespective of what some sections of the Press may think.

Now let us come to a few of the quotations which I promised a moment ago. Here is a table showing how the teaching of history stands in at least six of the provinces of Canada, taken more or less at random, and giving the names of the text-books used, their authors, etc.

Nova Scotia—"The Story of Britain and Canada," by Gilbert Patterson.

To tell the truth, and without wishing to hurt the feelings of anybody, after having perused the book I wondered why the title included the words "and Canada." This volume contains 228 pages, on three of which—104, 106 and 108—there are passages referring to the French regime. I think that without imposing upon the House I may read them. On page 104 there are five lines:

Henry VII of England sent John Cabot, in 1497, to explore the coast of North America, and the French sent Jacques Cartier to the St. Lawrence River in 1534, but outside the fisheries there was no trade or settlement as a result.

Two pages farther on I find the following:

Champlain and other Frenchmen explored the St. Lawrence, and it began to dawn on men's minds that this new northern continent might be well worth possessing for its fur trade alone. Colonies were begun, the French along the St. Lawrence and the Dutch along the Hudson, while the English settled the rest of the coast, between the Atlantic and the Alleghanies.

Under courageous explorers such as LaSalle, the French followed on down the Mississippi, and laid claim to the whole river valley. Soon a valuable fur trade developed in that region.

Then I turn to page 108, where there is a little bit more. I shall not quote it all. Here is what it says:

The Hudson's Bay Company had been founded in 1670 for fur trading purposes in the lands north of the French colony on the St. Lawrence—

and so on, for half a page. That is Exhibit No. 1, as my learned friends at the Bar would say.

The text-book used in the province of Alberta is called "Our Country and its People." It is by McDougall and Paterson, and consists of 235 pages. In it there is one passage on page 57, and three pages—75, 76 and 77—devoted to the French regime. I do not think I need to read them.

In Manitoba and Prince Edward Island the book used is "The Story of Canada," by Wrong, Martin and Sage. This is a book of 377 pages, of which 70—pages 13 to 82—are devoted to the French regime, and 307 to the English regime.

In British Columbia they use "The Romance of Canada," by Professor A. L. Burt. This book consists of 372 pages, of which 120—17 to 133—cover the French regime, and 250 the English regime.

In Quebec the book used is "Histoire du Canada," par les Freres des Ecoles Chrétiennes. This is a book of 103 pages, in the form of an historical catechism. In it 87 pages are devoted to the French regime, and 11 to the English regime.

Now, honourable senators, I ask you to draw your own conclusions. I think you will grant that the honourable senator from Sorel was right when he said that the method of teaching Canadian history in Canada is wrong and very much out of balance. Although the figures just quoted are fairly accurate, I do not think they show the exact and complete picture, because one must take into account the various systems of education in the different provinces. But they do lead inevitably to the conclusion that the teaching of history in Canada to-day calls for more fairness and more uniformity in more than one respect. After all, what is history, if it is not an honest record of past events for the information of the generations of tomorrow, irrespective of the personal whims and fancies of the historian himself, and unaffected by transitory passions which might influence readers as well as authors? There is just one passion which should be tolerated in a historian—indeed it is indispensable—a passion for truth.

A lot more could be said on this important subject, but I leave it to others, as I do not intend to take any more of the time of the House this evening. May I be permitted, however, to conclude my remarks with the following invocation:

O Canada, O Beloved Fatherland, Thou art a young country amongst the old and war-scarred nations of the earth. As a political unit, Thou art barely seventy-five years old, although Thy glorious traditions as a civilized land go back a great deal farther than 1867. It was in the year 1534 that Thou received Christian life from the hands of the humble but daring explorer of Brittany, Jacques Cartier, when he devoutly planted the Cross on the rugged promontory of Gaspe. Many changes have occurred during these last four hundred years. The flag of the first discoverers went back to the shores whence it had come, and the victorious standards of the Kings of

England replaced the fleur-de-lis on the citadel of Quebec. And since the fateful year of 1759 —when Montcalm and Wolfe were buried in common glory—Thou suffered many a time from the growing pains of a fast developing country, always bravely forging ahead and seeking Thy way through the various forms of government that were gradually to lead Thee to beautiful nationhood. That legitimate goal was about to be achieved when the bloodiest war that ever tortured the world entangled Thee in its vicious snares. Wilt Thou escape from that new threat? Of course Thou wilt. Wilt Thou live through these new tribulations? Of course Thou wilt. Wilt Thou emerge from the present ordeal more confident than ever in the great future which is in store for Thee? Of course Thou wilt. O Canada, I believe in Thee, because I know that eventually all Thy gallant sons and heroic daughters will generously sacrifice their petty rivalries on the sacred altar of Thy sublime destiny!

Hon. Mr. DAVIES: Honourable senators, I move adjournment of the debate.

Hon. CAIRINE R. WILSON: May I ask the honourable senator from Essex (Hon. Mr. Lacasse) a question? In the Ontario text-book, has he read the paragraph on the Senate?

Hon. Mr. LACASSE: I was not aware that the Senate was the subject discussed there; I thought it was Canadian history at large. It happens that I did not bring the Ontario text-book, although I should have made it a point to have the book here if I had known there would be a question about it. The book was lost in transit, that is all. My honourable friend from Rockcliffe (Hon. Mrs. Wilson) perhaps did not expect that her question might invite a second speech. I may tell her that I discovered in one of the text-books, probably the one used in Ontario, that the episode of Dollard des Ormeaux was dealt with in one line and a half. Yet that hero was great enough to be used as a symbol in the Fourth Victory Loan campaign, and his motto "Jusqu'au bout," was the official slogan. Moreover, many honourable senators must have seen in the newspapers some time ago, as I did, a fine advertisement published by Penman's Limited, of Paris, Ontario, displaying a tall figure of Dollard des Ormeaux. So that great hero has become a symbol of veneration in commerce also. Yet, I repeat, he was not thought deserving of more than a line and a half in a Canadian text-book.

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

DIVORCE BILLS

FIRST READINGS

Hon. Mr. COPP, on behalf of the Chairman of the Standing Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill F4, an Act for the relief of Frances Eleanor Campbell Coleman.

Bill G4, an Act for the relief of George Igaz.

Bill H4, an Act for the relief of John William Frank Draper.

Bill I4, an Act for the relief of Sam Sokoloff.

Bill J4, an Act for the relief of Léon LeBrun.

The Hon. the SPEAKER: When shall these Bills be read the second time?

Hon. Mr. COPP: Next sitting.

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

THE SENATE

Tuesday, May 30, 1944.

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

Prayers and routine proceedings.

PRIVATE BILLS

MESSAGE FROM HOUSE OF COMMONS

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons to return Bill R2, an Act to incorporate Fundy Air Lines, and to acquaint the Senate that they have passed said Bill with two amendments, to which they desire the concurrence of the Senate.

REPORT OF COMMITTEE

Hon. C. E. TANNER presented the report of the Standing Committee on Miscellaneous Private Bills on Bill T3, an Act respecting the General Missionary Society of the German Baptist Churches of North America, and to change its name to the North American Baptist General Missionary Society.

He said: Honourable senators, this Bill relates to a missionary society which was incorporated in 1922 by an Act of Parliament entitled an Act respecting the General Missionary Society of the German Baptist Churches of North America. The Bill has just one object, to change the name of the society to the North American Baptist General Missionary Society. No other change is made in the original statute. The Bill is reported without amendment.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. TANNER: I understand that we have resumed the practice of setting down third readings of private bills for the next sitting of the House after the report from a committee. Unless there is reason to the contrary, in special cases, I think it is a good practice.

Hon. Mr. KING: Right.

APPROPRIATION BILL No. 3

SECOND READING

Hon. J. H. KING moved the second reading of Bill 111, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

He said: Honourable senators, this is another interim supply bill, similar in form and in amount to one we passed at the end of March. Its purpose is to grant to the Government one-sixth of the main appropriation for the fiscal year 1944-45. The amount, $46,331,283.90, is required to meet the ordinary expenditures of the Government for the next two months.

May I digress for a moment? At the time of our last adjournment we had hoped to have the War Appropriation Bill before us to-day, but unfortunately there have been delays and the Bill is still under consideration in the other House. The Minister of Finance is hopeful that it may be sent over to us on Thursday of this week. Should there be further delay, it may be necessary to ask honourable senators to remain until Friday, in order that we may deal with this very important measure.

Hon. Mr. HAIG: Honourable senators, as is usual, we on this side reserve the right to discuss the whole Appropriation Bill at a later stage. With this understanding we have no objection to the motion.

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

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. COPP, on behalf of the Chairman of the Committee on Divorce, the following bills were severally read the second time:

Bill F4, an Act for the relief of Frances Eleanor Campbell Coleman.

Bill G4, an Act for the relief of George Igaz.

Bill H4, an Act for the relief of John William Frank Draper.

Bill I4, an Act for the relief of Sam Sokoloff.

Bill J4, an Act for the relief of Léon LeBrun.

FIRST READINGS

Hon. Mr. COPP, on behalf of the Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill K4, an Act for the relief of William Taffert.

Bill L4, an Act for the relief of Belle Bailey Leibovitch.

Bill M4, an Act for the relief of Gertie Shulman Friedman.

Bill N4, an Act for the relief of Sarah Slutsky Shapiro.

Bill O4, an Act for the relief of Jessie Dickson Mackie Toy.

Bill P4, an Act for the relief of Angele Pauline Edgar Marie Lambert Choux.

Bill Q4, an Act for the relief of Margaret Kathleen Hollenbeck Fortin.

Bill R4, an Act for the relief of Hulda Van Koughnet Lynch-Staunton.

Bill S4, an Act for the relief of James MacMillan McHale.

Bill T4, an Act for the relief of Vernon Ross Aiken.

Bill U4, an Act for the relief of Frederick Richard Channon.

Bill V4, an Act for the relief of Ernest Charles Hazard.

The Hon. the SPEAKER: Honourable senators, when shall these Bills be read the second time?

Hon. Mr. COPP: Next sitting of the House.

CITY OF OTTAWA

JOINT COMMITTEE ON FEDERAL-MUNICIPAL RELATIONS

On the Order:

Consideration of a message from the House of Commons with respect to a Joint Committee appointed to review the special problems arising out of the location of the seat of government in the city of Ottawa.

Hon. J. H. KING: Honourable senators, before we proceed to the message from the House of Commons, with the leave of the Senate, I beg to move:

That the Senate do unite with the House of Commons in the appointment of a Joint Committee of both Houses to review the special problems arising out of the location of the seat of government in the city of Ottawa and to report on the relations between the federal Government and municipal authorities of the said city and their relative responsibilities in respect of such problems with power to inquire

into the matters and things therein referred to;

That Honourable Senators Copp, DuTremblay, Lambert, Léger, Stevenson and White be appointed to act on behalf of the Senate as members of the Joint Committee;

That the Committee have power to send for persons, papers and records;

That the Committee be authorized to sit during sittings and adjournments of the Senate;

That a message be sent to the House of Commons to inform that House accordingly.

It is unnecessary, I think, to make any explanation. Honourable senators will remember that when the Ottawa Agreement Bill was recently before us there was an undertaking by the Government that a joint committee of both Houses would be appointed to review the existing relationship between the City of Ottawa and the federal Government. That undertaking is now being carried out.

The motion was agreed to.

CANADIAN HISTORY—UNIFORM TEXT-BOOK

DEBATE CONTINUED

The Senate resumed from yesterday the adjourned debate on the motion of Hon. Mr. David:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments in all schools under their direct or indirect jurisdiction or control.

Hon. W. RUPERT DAVIES: Honourable senators, when I heard the motion read by the honourable gentleman from Sorel (Hon. Mr. David) proposing a new Canadian history to be used in the schools of our provinces, I must confess that I instinctively felt opposed to the idea. My snap judgment, I must say, was that it would not be in the best interests of this Dominion. I do not like "made to order" histories, and I was afraid that if the suggestion of the honourable senator from Sorel were carried out, we should have a history of Canada which would be an innocuous sort of thing written to please everybody. I wondered what sort of history Lord Macaulay would have written and what sort of a history of the English people John Richard Green would have written if each of them had been writing his history to please various groups and sections. I am afraid that powerful interests in England would have prevented John Richard Green from telling us how some of the great aristocratic families laid the foundations of their vast fortunes by plundering the monasteries during the reign of Henry VIII. I am afraid, too, that if Lord Macaulay had been writing to please someone else except himself he might not have been so explicit with regard to the doubtful ancestry of some of the great English families. No doubt there are people who will contend that the histories would not have suffered if these things had been left out. I do not agree with that viewpoint, however. I like history to be written in the same way that Oliver Cromwell wanted his picture painted, warts and all.

However, after having listened to the honourable senator from Sorel, with whose reputation as an educationist I am familiar, I felt that this was a problem to which the Senate might well give some time and thought; so I determined to look into it and try to find out just what the position is in our various provinces to-day. I followed somewhat the same course as did the honourable senator from Essex (Hon. Mr. Lacasse). I did not, however, write to the Ministers of Education. Instead, I wrote to newspaper friends in every province with the exception of Ontario, in which province I dealt directly with teachers and educationists. I sent along with my letter a copy of the honourable senator's motion and I asked five questions. As the honourable senator did not indicate in his motion whether he was dealing with public school histories or high school histories, I decided to get information about both. I asked in effect the following questions:

1. Will you be good enough to get for me from a reliable educational authority in your province the name and the author of the authorized histories used in the public schools, separate schools and the high schools of your province?

2. Will you ask the educational authority you consult whether the histories used in the schools of your province give more prominence to your province than to the rest of Canada?

3. How many pages in the authorized history used in the schools of your province are devoted to the early history of French Canada?

4. How many pages are devoted to the history of Western Canada, its settlement and development? Is there any particular reference to the Hudson Bay settlement?

5. How much space is devoted in the histories used in your province to the province of Ontario?

6. How much space is devoted to the coming of the Loyalists?

7. In the opinion of the educational authority whom you will consult do the histories used in your province give a fair presentation of

the French Canadian early settement and the subsequent development of the province of Quebec?

I received wonderful co-operation, both from my newspaper friends and the authorities whom they consulted, and I should like to give to this honourable body as briefly as I can the result of my investigations. In doing so it is possible that I shall cover briefly some of the ground so eloquently covered by the honourable senator from Essex last night; but in some instances my figures may not agree with his. I am sure you will be as much surprised as I was at the variety of history books used in this country and the different treatment given in the various provinces to important matters in the history of Canada.

I will start at the far East, with the province of Prince Edward Island. I was told that the official history books used in that province are: "The Story of our People," by Gilbert Patterson; "The English People," by Jones; "The Story of Canada," by Wrong, Martin and Sage; "The History of Britain," by King. The official history for grade eleven students in Prince Edward Island is "The Story of Civilization," by Seary and Patterson. The two histories of Canada that are used in the province's public schools are "The Story of Canada" and "The Story of our People." In "The Story of Canada" 82 pages are devoted to the early history of French Canada, 150 pages to the history of Western Canada, 72 pages to the history of the province of Ontario and 7 pages to the coming of the Loyalists. In "The Story of our People," French Canada gets 50 pages, Western Canada 60, Ontario 20 and the Loyalists 10. With regard to my last question, as to whether there is a fair presentation of the history and early settlement of French Canada, I am told that it is good in "The Story of Canada" and not quite so good in "The Story of our People."

In Nova Scotia, the authorized Canadian histories in use in the public and high schools are Patterson's "Story of Britain in Canada" and Bingay's "History of Canada." In the former history 17 pages are devoted to French Canada, 29 to Western Canada, and 7 to the coming of the Loyalists. In Bingay's history 100 pages are devoted to French Canada, 64 to Western Canada, and 16 to the coming of the Loyalists. There are no separate schools in Nova Scotia, and the same histories are used by all the schools. It is the opinion of prominent educational authorities of that province that the histories in use give a fair presentation to the story of French Canada and the early settlement in Quebec. In view, however, of the important place which Nova Scotia played in the early history of this country, the histories give quite a lot of attention to that province, but, in the opinion of competent authorities, not more than the subject requires.

In the province of New Brunswick a different situation exists. In the public schools the only Canadian history text is "A Canadian History for Boys and Girls," by Emily P. Weaver. Other texts are listed in the course of study to be used by the teacher, if he or she wishes, and also by the pupils as supplementary reading. I am informed that in this history the balance is fairly kept between the provinces. Of 392 pages, about 60 are devoted to New France and its royal governors; quite a fair amount of space is given to the development of the West, about 35 pages to the province of Ontario, and about 8 pages to the coming of the Loyalists. My informant does not think that in this history taught in the public schools of New Brunswick the treatment of the early settlement of French Canada is quite adequate. He feels that that part of the history dealing with the story of Quebec after the British conquest is almost entirely an account of the political discords involved in achieving Confederation. I am informed that Canadian history is not a subject taught in the high schools of New Brunswick. In addition to Emily Weaver's history, however, the French-speaking schools use an "Elementary History of Canada," written by Bourgeois.

It would be presumptuous on my part to express any definite opinion on the teaching of Canadian history in the province of Quebec, in view of the fact that the motion was made by an honourable senator from that province who is well known for his scholarship and his keen interest in education, he at one time having filled the position of public instructor in the Quebec Government. Nevertheless, I thought I should like to make some independent inquiries into the matter, so I wrote to a friend of mine who is much interested in education. He told me what other people had told me, namely, that a committee of six French and English historians has already been appointed by the Canada and Newfoundland Education Association to study the teaching of Canadian history. A report is expected next October. I assume that the honourable senator from Sorel was well aware of this when he made his motion, and that he feels the matter should also be discussed at the coming Dominion-Provincial Conference.

In the Catholic schools of Quebec province seven different history text-books are used; in the Protestant schools, two text-books. The histories of Canada used in the Catholic

schools are by Desrosiers et Bertrand; Farley et Lamarche; Rutché et Forget; Frères des Ecoles Chrétiennes, cours élémentaire; Frères des Ecoles Chrétiennes, cours moyen; Clercs St.-Viateur, cours élémentaire; Clercs St.-Viateur, cours intermédiaire.

The two histories used in the Protestant schools are Dickie and Palk's "Pages from my Country's Story" and A. L. Burt's "Romance of Canada."

I have had sent to me a translation of an excellent paper prepared by Mr. Charles Bilodeau, who was appointed special officer in the Quebec Department of Public Education to study the choice of text-books for all schools within the jurisdiction of the province. I shall not take time to read to you Mr. Bilodeau's analysis of the Canadian history text-book situation in Quebec. I will say, however, that Mr. Bilodeau has analyzed both the French text-books and the English text-books very carefully and fairly. He has by no means minimized the tendency in French text-books to be unfair to the British, and in British text-books to be unfair to the French, nor has he minimized the difficulties of providing a text-book which will be agreeable to all the Departments of Education across Canada. With your permission I shall read his concluding paragraphs:

> At the present time, the best approach to the problem is probably to refer it to historians of the two races. French- and English-speaking historians should be able to agree on the main historical facts to be taught in schools, without preventing any province from emphasizing certain facts, as well as to offer useful suggestions on the teaching of history. This might redress the present situation where numerous facts mentioned in one series of texts are ignored in the other. Care should be taken, however, not to falsify history in suppressing facts which might displease one or the other race. Truth always retains its rights, if it does not entail necessarily resentment.
>
> Adult attitudes towards racial problems are affected by impressions gained during youth. Much progress will be accomplished when the two Canadian races will have learnt to know each other better at school. The teaching of Canadian history may contribute greatly to a stronger national unity, and in consequence it should be used to further the attainment of this objective.

Those noble sentiments indicate the broad-minded and patriotic attitude with which Mr. Bilodeau approached this very complex and difficult question.

With regard to the province of Ontario, in which I live, I feel that there could be an improvement in the teaching of history. In the first place, strange as it may seem, the authorized history text-book in the public schools and the authorized history text-book in the high schools of Ontario are both written by the same man, Professor William Stuart Wallace, a graduate of Oxford and at the present time librarian of the University of Toronto. Professor Wallace is a very scholarly man, and I am sure that his scholarship is adequate for the writing of a history. I have gone carefully through both his public school and high school histories. His public school history is intensely interesting and well-written. It is used in Grade 7 only of our public schools. His high school history is also very well written, although I think it needs revision. However, I do not believe, honourable senators, it is in the best interests of the children of Ontario that from the time they start to learn history in the public school, probably at the age of ten or eleven years, until they matriculate from the high school, their opinions on the history of this country should be formed largely by one man.

An Hon. SENATOR: Hear, hear.

Hon. Mr. DAVIES: That does not seem to me to be a healthy situation. Professor Wallace's high school history is called "The History of the Canadian People." I am sorry to find that it is not up to date. It was first published in 1930. Since that time fifteen new editions have been printed, two of them as late as 1942. Yet what do we find? We find on pages 333 and 334 the author undertakes to deal with Imperial Conferences. He devotes about one page and a half to these important conferences. He tells his students that the 1926 Conference laid down the principle that Great Britain and the Dominions are "autonomous communities within the Empire, equal in status, in no way subordinate one to another in any aspect of their domestic and external affairs, though united by a common allegiance to the Crown and freely associated as members of the British Commonwealth of Nations." The author then goes on to say that the principle, though embodied in a unanimous resolution of the conference, "has not as yet perhaps the force of law." This is what we are still teaching students in the high schools of Ontario in 1944, despite the fact that the Statute of Westminster became law in 1931.

As to the teaching of history in this province, I consulted a number of authorities, including the heads of some of our best known private schools for boys. We have in Ontario four large private schools similar to what are termed public schools in England, and I know the standard of scholarship in these four schools is very high. I therefore determined to find out what their principals thought of the situation, and I should like to quote briefly from letters which I have received from them. One headmaster writes:

It seems to me that at the present time an international outlook is of such great importance, history text-books in use throughout the country ought to be as impartial as possible in their treatment of national achievements. We in Canada had good reason, I think, to feel irritated after the last war to hear that our good neighbours to the south had won it. I think it was unfortunate, too, that in some parts of Canada during the twenties text-books should be found in which the engagement of Chateau Thierry received mention where Vimy Ridge did not. . . . It seems to me that during the last war Canada began to express herself as a conscious entity. This has been still further the case in this war. . . . Because of its cultural background and geographical position, Canada is a natural go-between of two great powers, and it seems that Canadian pupils might be fertile ground for the development of an international outlook rather than a national one. I therefore feel that text-books that deal with world affairs ought to be of a strictly impartial kind. I might sum it up by saying that our patriotism ought to subserve a wider and ever-widening horizon.

I am glad to notice that in the school, whose principal I have just been quoting, three very good histories of Canada are used, including the one most recently published by George W. Brown, entitled "Building the Canadian Nation," which competent authorities inform me is an excellent book.

The principal of another of the four schools writes:

As far as an impartial committee to prepare a text-book on Canadian history is concerned, there is need for an adequate book in this field. No truly satisfactory text has yet appeared. The closest approximation to it seems to be Professor George Brown's "History of the Canadian People."

I might say that Professor George Brown is on the staff of the University of Toronto.

This particular principal wrote to me at some length. He believes that:

The parts of Canadian history which a boy should take away with him from school are those which deal with the technical and present constitutional arrangements of government; the economic problems and the problems of federalism and unity. That is the information which will make him a more understanding citizen.

He concludes his long letter with this interesting suggestion:

One further thought on Senator David's resolution. I believe that included in his list of competent historians there ought to be some high school teachers. All the text-books on Canadian history which have been used in this province in the last decade have been written by university professors, who are not in a position to fully appreciate the actual classroom problems associated with teaching this subject. Therefore it would be useful to have the scholarship of the university historians checked by the practical teaching experience of men in the high school system.

A very sound view, I think.

The principal of the third private school expresses his opinion in these words:

I heartily agree that there should be one text-book of Canadian history for the whole of this country. When we hear so much about unity and disunity, it is rather disturbing to me to feel that there seems to be no rallying point in the matter of the history taught to our Canadian youths.

Some years ago I made a study of this subject and I was astounded at the difference which I found in this very matter, and in my travels throughout Canada I have been struck with the great need for a real Canadian spirit. We have talked too much about the East and the West and the Maritimes, and too little about Canada. . . . On one occasion while addressing a Canadian Club in a western city I was introduced as an eastern Canadian; on another occasion while addressing a Canadian Club in the Maritimes, I was introduced as an Ontario Canadian. On both occasions I explained to the chairman that I was neither eastern nor Ontario, but simply Canadian.

We have a great many boys in our school from western provinces and eastern provinces, but the titles "easterner" and "westerner" are practically never used. These boys are Canadians, and we have no feeling of stupid geographical divisions. I shall be very much interested in hearing the outcome of this motion when it is discussed at the Interprovincial Conference. I do hope that the conference will decide to act on Senator David's motion to adopt a text-book of Canadian history to be used in all provinces.

I have one more letter under my hand, and as it is from the principal of the largest private school for boys in Ontario, I should like to bring it to the attention of the House. He writes:

The general opinion of the men in our History Department is, that while Canada cannot be a nation, nor even two friendly nations until the idea of Senator David's motion is put into execution and both parts have surrendered a bit of pride, still the following points should be borne in mind:

1. A committee cannot write a successful book, but it could select men to write books. No one wishes one official history of Canada.

2. It matters very little what a text-book contains (provided it be not deliberately false) since the atmosphere and interpretation is derived from the class-room.

3. In Ontario, Canadian history is taught only in the junior forms, below matriculation standard.

4. The whole purpose of Canadian history can only be appreciated and achieved if and when there is a parallel study of the growth of those English institutions which condition our Canadian outlook, politically and historically. In at least three provinces, including Ontario, there is at present no such parallel study of English history. A uniform Canadian history amounts to very little merely in itself.

Some honourable senators will perhaps disagree with that viewpoint.

I know from discussing this motion with a number of prominent Ontario educationists that there is strong sympathy for it in many quarters. We have to realize, of course, that education under the British North America

Act is under the control of our provincial Governments, and whether or not the honourable senator's motion will be discussed at the Dominion Provincial Conference will depend largely upon the attitude of the Departments of Education in our provinces. We have been very fortunate in the province of Ontario so far as Ministers of Education are concerned. During his premiership the Hon. Howard Ferguson was our Minister of Education and took a very keen interest in that department. While performing the onerous duties of the premiership, he was by no means a figure-head in the Department of Education. Some years ago we had as our Minister of Education a distinguished Canadian and great educationist, in the person of Dr. H. J. Cody, at present head of the University of Toronto.

Prior to his death last August our Minister was the Hon. Duncan McArthur. Dr. McArthur had had a wide experience. He was for some years in the Archives at Ottawa under Dr. Doughty. He was later head of the History Department at Queen's University. He was appointed Deputy Minister of Education for Ontario in 1934. Five or six years later he became Minister. Dr. McArthur during his term of office changed the teaching of history in our Ontario schools, and it now comes under the head of Social Studies. In Grade 7, three months are given to Canada under French rule and Canada under British rule, two months to Canada to-day, one month to the United States of America, and one month to discussing changing ways of living. In Grade 8 of our public schools we are teaching early Britain for two months, the growth of British freedom for two months, Britain to-day, which includes England and Scotland—and which I assume includes Wales, although it does not say so in the curriculum —for two months, Empire to-day for two months, and the Empire and the world for two months.

I give you that information without expressing any opinion on it. I am not enough of a practical educationist to know whether that division of the subject is wise or unwise.

At the present time we in Ontario are fortunate in having Colonel George Drew, the Premier, as Our Minister of Education. As you are all well aware, Colonel Drew is keenly interested in education, and since he became minister he has had certain intelligence tests made which I am sure he found enlightening. I have explained to you that Canadian history is taught only in Grade 7 of our public and separate schools in Ontario. About five hours a week are taken up with this subject. In our high schools Canadian history and geography are combined under "Social Studies." There are four history periods a week and three geography periods a week. This combination of history and geography is taught in Grade 10, or the second form, only.

I hope this information is not wearying honourable senators.

Some Hon. SENATORS: No, no.

Hon. Mr. DAVIES: Coming to the Prairie provinces, I find that the authorized history text-book in the elementary schools in Manitoba in Grade 8 is "The Story of Canada," by Wrong, Martin and Sage. I have told you earlier how much space this history devotes to important phases of our Canadian development. This same history is used in Manitoba in the French, Roman Catholic and private schools. My information from Manitoba comes from a lady who is something of an authority on history text-books, and one of the best and most competent teachers of history in the province. She is of the opinion that this history, "The Story of Canada," gives a fair presentation of the early settlement made by the French Canadians but that it is not quite adequate in its treatment of modern times and modern problems. She feels, also, that it is too difficult for pupils of Grade 8: The official history for the high schools of Manitoba is Duncan McArthur's history, which is also used in Saskatchewan. I am familiar with this history. It is written in a very easy and interesting style. Out of a total of 508 pages, it devotes 139 to the early history of French Canada up to 1763 and 53 pages to the history of Western Canada, its settlement and development. The province of Ontario gets 27 pages, and the coming of the Loyalists 11 pages. This high school history is also used in the private schools of Manitoba. In some Manitoba schools experimental work is being done with George Brown's new history, "Building the Canadian Nation," to which I have referred before.

From a history teacher in Manitoba I have received a viewpoint diametrically opposed to the motion of the honourable senator from Sorel. As I am sure we are all anxious to be fair in connection with this matter, I should like to read you two paragraphs from a page of comment which I received. They are as follows:

> In my opinion it would be most unfortunate to prescribe one text for the whole of Canada. Modern teachers are trying to get away from the old idea of one text as a bible in any subject. No history, and certainly no text of the length and style suitable for students in elementary or high schools, can be the last word on the subject. Prescription of one text for the whole of Canada would have a tendency to exalt that one book as a complete and final authority. First thing we know, we would find that to question it would be treason, or at least subversive propaganda. It is difficult enough

to replace undesirable texts or out-dated ones in our provinces without the problem of having to deal with it on a nation wide scale.

It would be better to have a committee of competent and impartial historians (if such beings exist) examine texts now in use and others available, state where these texts are at fault, and come to an agreement as to what changes would be necessary to achieve an accurate and fair account. These suggestions should be submitted to the authors, and to the publishers, who could probably be counted upon to make the necessary adjustments. Then a committee of teachers should report whether the subject-matter and the literary style is suitable for the grade for which the book is intended. Sometimes it may even be necessary to have a book translated from the style of the historian in order that it may be comprehensible at the grade level at which it is proposed to use it. After these two committees have completed their work, a list of books suitable for use in any province in Canada could be submitted. Variations in emphasis would still persist; variation in style, one hopes, would also continue; but all the texts would have been pronounced accurate as far as they go.

In the province of Saskatchewan, the official text-book used in the elementary schools is "This is Canada," by Tombs. In this history 70 pages are given to the story of French Canada, and about 75 pages to the coming of the Loyalists and the settlement of the West.

Dr. McArthur's history is the authorized text-book in the high schools. I analyzed this history briefly when dealing with the province of Manitoba, so I shall not deal with it again.

In Alberta there are three Protestant separate schools in addition to the Protestant public schools and the Roman Catholic separate schools. All these schools use the text-books set out in the provincial regulations. The teaching of history in Alberta, I am informed, is dealt with under "Social Studies." These social studies deal with education, working conditions, different races in Canada and, particularly, the progress of Western Canada. I am told very little attention is paid to the history of French Canada or to the history of the province of Ontario. In going through the list of the school books used I notice that under social studies for Grades 10 and Grade 11 various history books are listed, but no actual history of Canada. My correspondent from Alberta deals rather strongly with the way in which he feels the teaching of Canadian history has been neglected for the past generation in that province. As I cannot speak on the situation at first hand, I shall not read his comments. It might mistakenly be assumed that I was endorsing these views. We have honourable senators from every province sitting in this Chamber, and no doubt we shall hear from them with regard to the teaching of history in their own provinces, and also as to their views on the motion of the honourable senator from Sorel. I will just say that my informant tells me a prominent educationist told him that he thought there was less Canadian history taught in Alberta than in any of the other provinces. This is due to the fact that in 1935 a new educational curriculum was drawn up which eliminated a Canadian history course.

There are no separate schools in British Columbia, but I am informed there are junior high schools. Canadian history in British Columbia, as in some other provinces, is a part of the social studies from Grade 7 to Grade 9, the latter being the junior high school grade. The text-book used is, "Romance of Canada," by A. L. Burt. Of the 372 pages of the main part of the book, 148 pages are given to the French period up to the time of the Quebec Act. The main portion of the text-book gives no more prominence to British Columbia than to the rest of Canada. As a matter of fact, twice as much space is given to the French period as is given to British Columbia history. To correct this deficiency there has been added a 63 page supplement dealing with the development of the province of British Columbia, for use in that province only. An educational authority in British Columbia thinks that French Canadian history is given a very fair presentation. Not much stress is laid upon the history of Ontario, but 16 pages are given to the coming of the Loyalists. In the British Columbia high schools the course for senior matriculation is fairly heavy. The prescribed text-book represents only a small portion of the reading which students have to do before they get their matriculation. In the advanced course the text-books are "The Canadians," by Wrong, and "The History of Canada," by Wittke. They are also referred to and advised to read Dr. Trotter's Canadian history and Brown's "Readings in Canadian History." Dr. Trotter is at the present time head of the History Department of Queen's University, and I discussed the whole matter with him. He succeeded Dr. Duncan McArthur, who became Deputy Minister of Education for Ontario. Dr. Trotter is an outstanding historian and a man of distinguished scholastic attainments. I am sure anything he wrote would be written with the utmost fairness.

Now, I have just a few more words to say. I hope that I have not wearied this honourable body. I have tried to contribute something of value to this discussion by investigating the teaching of history as it is carried out in the various provinces at the present time. It is quite evident from some of the letters I have received that opinion is divided on the advisability of one official history text-book for the whole of Canada. The honourable

senator from Sorel is, of course, aware that his motion has met with considerable opposition in some of the French papers of his own province. It seems to me, however, that after this war is over new histories will have to be written which will give considerable space to the part Canada played in the first Great War, and also in the present war. I feel, too, that any new histories which are authorized in our high schools should include the Statute of Westminster and an explanation of Canada's place in the British Commonwealth of Nations.

With regard to the motion, I feel that it might have been better if it had been worded somewhat differently. The honourable senator expresses the wish that at the Interprovincial Conference,

—the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments for use in all schools under their direct or indirect jurisdiction or control.

I believe the motion would have a better reception at the conference if it were changed to read:

—with the mission of carefully studying the advisability of preparing a text-book of Canadian history.

I cannot get out of my mind the important fact that education is in the hands of the provincial governments. I wonder whether this honourable body should go quite so far as to urge the appointment of a committee to prepare a text-book. It seems to me that in doing so we might be trespassing on provincial rights.

In conclusion, honourable senators, I should like to congratulate the honourable senator from Sorel on introducing a motion full of such far-reaching possibilities in the development of a sound Canadian spirit in this country. Speaking as one who went to school in the heart of the Empire, who during the whole of his school years was never taught one line of Canadian history or Canadian geography, and who came to this country knowing absolutely nothing about it, I have great sympathy with the object of the motion. I do feel that we need a change. In the public and high schools of Canada to-day, including the French schools in Quebec, we are using more than twenty different histories of this country. It must not be forgotten that all these histories bring in royalties to their authors. This brings up the problem of vested interests. If we are going to build up pride in our country—and we have a country of which we should all be very proud—we have got to teach our children the history of this country, and it is my opinion that a fair, broadminded, authorized text-book for the whole of Canada would be of inestimable value in doing so, particularly in our high schools. As I said, I should have preferred the motion to be worded slightly differently; but having a high regard for the educational experience of the honourable senator who sponsored the motion, and believing that he gave it very careful thought before he introduced it, I shall support it.

Some Hon. SENATORS: Hear, hear.

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

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

THE SENATE

Wednesday, May 31, 1944.

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

Prayers and routine proceedings.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Honourable Thibaudeau Rinfret, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber on Thursday, June 1, at 5.50 p.m., for the purpose of giving the Royal Assent to certain Bills.

CONFERENCE OF PRIME MINISTERS—MR. CURTIN'S VISIT TO CANADA

JOINT MEETING OF SENATE AND HOUSE OF COMMONS TO BE ADDRESSED BY PRIME MINISTER OF AUSTRALIA

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, before we proceed with the Orders of the Day, I should like to make an announcement.

For the last two months, ever since it became known that the Conference of the Prime Ministers of the British Commonwealth would take place in London, we all have been greatly interested. As every one is aware, the Conference was held this month and was attended by the Prime Ministers of Great Britain, Australia, New Zealand, South Africa and Canada. I am sure that all honourable members of the Canadian Parliament are not only interested

but pleased that at this time, after the Empire has been at war for more than four years, the representatives of its vast domain have met and arrived at conclusions of tremendous importance to the conduct of the war and to peacetime affairs. No public statement has yet been made as to the subjects discussed at the Conference, but in good time there probably will be one. As a member of this Chamber I wish to express my own feeling of pride in the part played at the Conference by our Prime Minister, the Right Honourable Mr. Mackenzie King, and gratification at his safe return to this country, which sentiments I am sure are shared by the people of Canada. The high honour accorded to him and to Canada in inviting him to address a joint meeting of the House of Lords and the House of Commons of the United Kingdom was of a kind that is not often conferred at the seat of Empire. I believe the people of Canada are well pleased with the manner in which the Prime Minister acquitted himself at that meeting, and we know that the remarkable address he made there has been largely concurred in by the people of Great Britain and of the various Dominions.

Canada is to be further honoured by the visit of two delegates to the Conference, the Prime Ministers of the most distant parts of the Empire, Australia and New Zealand. The Right Honourable John Curtin, Prime Minister of Australia, arrived in this country last night. The announcement that I wish to make now is that honourable members of the Senate and of the House of Commons are to have the great pleasure of hearing him at a joint sitting of the two Houses to-morrow afternoon.

Though Australia, our sister Dominion, is far distant from the centre of the Empire, her people carry on, during times of war as during times of peace, in a manner that gives splendid proof of the stock from which they come. It was only three years ago that that great Commonwealth was in imminent danger of invasion. We all admire the way in which her armed forces, with the help of the Army and Navy of the United States, warded off that threat to their freedom.

In order that there may be no misunderstanding as to the time of to-morrow's joint meeting, I shall quote what the Honourable J. L. Ralston, speaking on behalf of the Prime Minister, stated yesterday in the other House:

> It is proposed that when the House adjourns this evening the formal session will stand adjourned until four o'clock on Thursday, but it is anticipated that the members will assemble at the usual hour of three o'clock without going into formal session so that they may have the privilege of hearing, along with the members of the Senate, the address of Mr. Curtin.

I would suggest that we proceed to the House of Commons shortly before 3 o'clock, in order that we may be in our seats before Prime Minister Curtin arrives.

His Honour the Speaker has already advised us of a message received from His Excellency the Governor General in regard to Royal Assent to be given to certain Bills at ten minutes to six to-morrow afternoon. In view of this and of the joint meeting, I shall move, when we conclude our business to-day, that we adjourn until 5 o'clock to-morrow afternoon.

Hon. JOHN T. HAIG: Can the honourable leader give us any information in regard to the subsequent adjournment?

Hon. Mr. KING: I hope to be more definite to-morrow, but I think there is every probability of our adjourning until Tuesday, June 13.

Hon. Mr. HAIG: Honourable senators, it is a little difficult for me, as acting leader on this side of the House, to say anything that may represent the consensus of opinion of my colleagues; I can do little more than express my own personal opinion. I listened with a great deal of pleasure to our Prime Minister's address in London, and I am largely in agreement with it. There may be differences of opinion, but I incline to the view that Empire collaboration should, if possible, be closer. However, there is no question at all of Canada's being completely independent, and I think that in this respect the Prime Minister adequately expressed the opinion of our people. Naturally, as he himself said, much of the cordiality of his reception was accorded to him as Prime Minister of Canada, but undoubtedly he ably acquitted himself in that address. If the policy he then announced is what he put before his fellow Prime Ministers, I think he correctly represented Canadian opinion.

I am delighted to join in the welcome which we are to extend to-morrow to the Prime Minister of Australia. I might suggest that a sufficient number of chairs be provided for our accommodation in the House of Commons.

Hon. Mr. KING: That is right.

Hon. Mr. HAIG: I think we should be in our places at 3 o'clock sharp. We want to do honour not only to Prime Minister Curtin himself, but also to those whom he represents, the greatest freedom-loving people in the world. I believe I speak for the whole House when I say we fully appreciate the opportunity we are to have of listening to one of the Prime Ministers of the British Commonwealth of Nations.

The Hon. the SPEAKER: Honourable senators, I might supplement the information given by the honourable leader of the House

(Hon. Mr. King) by stating that arrangements have been made for our accommodation on the floor of the House of Commons similar to those which were made when Mr. Eden addressed the members of both Houses. There will be available five rows of chairs, which will provide accommodation for at least sixty senators. Attendants of the Senate will be present to see that the seats allotted to senators are not occupied by other persons. Prime Minister Curtin will arrive at the main entrance of the Parliament Building at ten minutes to three, and will be escorted to the rooms of the Speaker of the House of Commons. He will proceed to the Chamber by the south entrance, so he should be there at approximately 3 o'clock. It has been suggested that honourable senators be in their seats at least five minutes before that time.

APPROPRIATION BILL No. 3

THIRD READING

Hon. J. H. KING moved the third reading of Bill 111, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

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

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed, on division:

Bill F4, an Act for the relief of Frances Eleanor Campbell Coleman.

Bill G4, an Act for the relief of George Igaz.

Bill H4, an Act for the relief of John William Frank Draper.

Bill I4, an Act for the relief of Sam Sokoloff.

Bill J4, an Act for the relief of Léon LeBrun.

SECOND READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill K4, an Act for the relief of William Taffert.

Bill L4, an Act for the relief of Belle Bailey Leibovitch.

Bill M4, an Act for the relief of Gertie Shulman Friedman.

Bill N4, an Act for the relief of Sarah Slutsky Shapiro.

Bill O4, an Act for the relief of Jessie Dickson Mackie Toy.

Bill P4, an Act for the relief of Angele Pauline Edgar Marie Lambert Choux.

Bill Q4, an Act for the relief of Margaret Kathleen Hollenbeck Fortin.

Bill R4, an Act for the relief of Hulda Van Koughnet Lynch-Staunton.

Bill S4, an Act for the relief of James MacMillan McHale.

Bill T4, an Act for the relief of Vernon Ross Aiken.

Bill U4, an Act for the relief of Frederick Richard Channon.

Bill V4, an Act for the relief of Ernest Charles Hazard.

PRIVATE BILL

THIRD READING

Hon. Mr. BLAIS moved the third reading of Bill T3, an Act respecting the General Missionary Society of the German Baptist Churches of North America, and to change its name to the North American Baptist General Missionary Society.

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

On motion of Hon. Mr. King, the Senate adjourned until to-morrow at 5 p.m.

THE SENATE

Thursday, June 1, 1944.

The Senate met at 5 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CITY OF OTTAWA

REPORT OF JOINT COMMITTEE ON FEDERAL-MUNICIPAL RELATIONS

Hon. A. B. COPP: Honourable senators, the Joint Committee of the Senate and House of Commons appointed to review the special problems arising out of the location of the seat of Government in the city of Ottawa and to report on the relations between the federal Government and municipal authorities of the said city and their relative responsibilities in respect of such problems, with power to inquire into the matter and things therein referred to, beg leave to make their first report as follows:

Your Committee recommend:

(1) That the quorum of the Senate section of the Joint Committee be reduced to three members.

(2) That authority be granted to print from day to day 500 copies in English and 200 copies in French of the proceedings of the Committee, and that Rule 100 be suspended in relation thereto.

The Hon. the SPEAKER: Honourable senators, when shall this report be considered?

Hon. Mr. COPP: With leave of the Senate, I would move that it be considered now.

The motion was agreed to, and the report was adopted.

THE PRIME MINISTER OF CANADA

ADDRESS TO BOTH HOUSES OF PARLIAMENT AT WESTMINSTER

On the Orders of the Day:

Hon. J. H. KING: Honourable members, with leave of the Senate, I move:

That the address of the Right Honourable W. L. Mackenzie King, Prime Minister of Canada, to the members of both Houses of Parliament at Westminster on May 11, 1944, and the other addresses delivered on that occasion, be printed as an appendix to the official report of the Debates of the Senate and form part of the permanent records of this House.

The motion was agreed to.

THE PRIME MINISTER OF AUSTRALIA

ADDRESS TO MEMBERS OF SENATE AND HOUSE OF COMMONS

Hon. J. H. KING: Honourable members, with leave of the Senate, I move:

That the address of the Right Honourable John Curtin, Prime Minister of Australia, to members of both Houses of Parliament at Ottawa on June 1, 1944, and the other addresses delivered on that occasion, be printed as an appendix to the official report of the Debates of the Senate and form part of the permanent records of this House.

The motion was agreed to.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, subject to the provision made at the beginning of the session, whereby His Honour the Speaker may summon our attendance at an earlier date than that mentioned in the motion of adjournment, I would move that when the House adjourns to-day it do stand adjourned until Tuesday evening, June 20, at 8 o'clock.

I may be permitted to add that I think we can reasonably assume that the work of Parliament will at that time be sufficiently advanced so that the Senate will be sitting from week to week until the close of the session.

The motion was agreed to.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed, on division:

Bill K4, an Act for the relief of William Taffert.

Bill L4, an Act for the relief of Belle Bailey Leibovitch.

Bill M4, an Act for the relief of Gertie Shulman Friedman.

Bill N4, an Act for the relief of Sarah Slutsky Shapiro.

Bill O4, an Act for the relief of Jessie Dickson Mackie Toy.

Bill P4, an Act for the relief of Angele Pauline Edgar Marie Lambert Choux.

Bill Q4, an Act for the relief of Margaret Kathleen Hollenbeck Fortin.

Bill R4, an Act for the relief of Hulda Van Koughnet Lynch-Staunton.

Bill S4, an Act for the relief of James MacMillan McHale.

Bill T4, an Act for the relief of Vernon Ross Aiken.

Bill U4, an Act for the relief of Frederick Richard Channon.

Bill V4, an Act for the relief of Ernest Charles Hazard.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

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

An Act to amend the Judges Act.

An Act respecting the appointment of auditors for National Railways.

An Act to repeal the Water Meters Inspection Act.

An Act respecting the Canadian National Railways and to provide for the refunding of matured, maturing and callable financial obligations.

An Act to authorize an agreement between His Majesty the King and the Corporation of the City of Ottawa.

An Act for carrying into effect the agreement for United Nations relief and rehabilitation administration between Canada and certain other nations and authorities.

An Act respecting Vancouver, Victoria and Eastern Railway and Navigation Company, the Nelson and Fort Sheppard Railway Company and Great Northern Railway Company.

An Act respecting the Kettle Valley Railway Company.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

The House of Commons withdrew.

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

The sitting was resumed.

The Senate adjourned until Tuesday, June 20, at 8 p.m.

APPENDIX

THE PRIME MINISTER OF CANADA

Address of the Right Honourable W. L. Mackenzie King to Both Houses of Parliament at Westminster, May 11, 1944

(Mr. King was welcomed by the Right Honourable Winston Churchill, C.H., M.P., Prime Minister of the United Kingdom, and thanked by the Right Honourable Viscount Simon, G.C.S.I., G.C.V.O., O.B.E., Lord Chancellor, and the Right Honourable Clifton Brown, M.P., Speaker of the House of Commons of the United Kingdom)

Right Hon. Winston Churchill: My Lord Chancellor, Mr. Speaker of the House of Commons, my Lords, ladies and gentlemen:—

We are met here to-day to give a hearty welcome to Mr. Mackenzie King, Prime Minister of the Dominion of Canada. We have known him a long time, and the longer we have known him the more we have loved him. He comes here from Canada to attend our gathering of Empire leaders; he comes here as one who has played an unrivalled part in the forward march of Canada.

Like most of us here, he is a party politician. Well, there is nothing to be ashamed of in that! But I say without hesitation that there was no other man, and perhaps there was no other career which any man could have followed, which would have enabled our honoured guest this afternoon to lead Canada united into the heart of this world-shaking struggle.

He has brought Canada to the greatest development of her power. It is extraordinary to think what Canada has done in this war. This unending crash of events, one scene of drama succeeding and overlapping another, the intense absorption of people of every age, sect and class in the war effort, hardly enabling them to draw breath—all this makes us incapable of appreciating a tithe of what is going on, what has been going on in Canada, under its Government headed by one who has been twenty-five years the leader of a party and eighteen years Prime Minister of the Dominion. With all that is being done there, we may well ask to be excused if we have not followed it all in the detail it deserves.

Canada, with her eleven million people, has guarded the heart and citadel of the Empire during the most perilious months in its history. There was a time when the Canadian Corps stood as our principal method of defence between the enemy's gathering invasion hordes and this vast City of London. And Canadians have become a naval people. They have gone to sea. Not only do they build ships, both of peace and war, but they man them, and fight them, and have contributed in a notable degree to the destruction of the U-boat menace.

As for the air, Canada is the home of the British Empire and Commonwealth in central organization. Her geographical and other conditions have facilitated this, and from the fields of Canada have come a race of airmen who have not only gathered unsurpassed honour, but will continue to be an asset for the greater unity which underlies all written or legal constitutions for the British Empire.

My friend, Mr. Mackenzie King, I have known for well over forty years, first in politics and then in personal friendship, and I know well the many steps he has always taken throughout that period leading up to this great climax of the development and demonstration of the power of Canada. Canada has a future which none can measure. The representative of this magnificent people will give us to-day a conception not only of the general participation of Canada in the Empire, but of the particular character of her contribution which, in our vast and varied organization, is always to be welcomed.

Canada is the link which joins together the old world and the new; which links the vast American people with whom, I trust, we shall ourselves develop a fraternal association. Canada, bound by sacred ties to the Mother Country, and also by terms of the deepest intimacy and friendship to the United States, clamps the whole structure of this benignant, unfearing, glorious British Empire together into one homogeneous mass which, when crisis comes for the world as a whole, will never fail in its duty.

I call upon Mr. Mackenzie King.

Right Hon. W. L. MACKENZIE KING: Prime Minister, Lord Chancellor, My Lords and Members of the House of Commons:

When I received from you, Prime Minister, the invitation to address members of both Houses of the Parliament of the United Kingdom, I found myself at a loss for words in which to acknowledge so high an honour. Your kindness in presiding on this occasion, your words of introduction, the traditions and associations of Westminster, and the presence in such numbers of the Lords and Commons add greatly to my sense of obligation.

I am only too well aware of all that it means to be the guest of the people of Britain, and to be speaking to them, and to others, from the heart of the British Commonwealth and Empire, at this moment of supreme crisis in human affairs. Your friendship and mine over many years of peace, and our close companionship throughout the years of war, to which you have made so kind a reference, afford me a support I greatly welcome in addressing this distinguished assembly.

As to my part in Canada's entry into the war, it was but the discharge of the responsibility which was mine to give expression, in a decisive hour, to the will and spirit of the Canadian people, and to serve their highest interests.

Four years have now passed since you, Prime Minister, accepted the leadership of the people of Britain and the leadership of the cause of human freedom. You and your colleagues have led this country, and the cause for which it stands, from the dark days of extreme peril, to this hour when at last the light is beginning to break. It is a source of confidence throughout the free world that you are continuing your leadership with a vision and a courage which have already become a legend.

I recognize that, for me, this occasion is designed as a welcome to Canada's representative at the meeting of Prime Ministers of the British Commonwealth. For the high compliment being paid Canada to-day, I should like to express my gratitude and pride.

I know that the welcome you accord me is equally heartfelt and generous towards the representatives of Australia, New Zealand and South Africa. I should like to say to Mr. Curtin, Mr. Fraser and Field Marshal Smuts how great is the admiration of the people of Canada of their leadership, and of the heroic part which their countries have taken in this war. I should also like to say to them how glad I am that our presence in London at this time affords to us all not only exceptional opportunities of conference with the Prime Minister of Britain and his colleagues, but of making clear to the world the oneness of the nations of the Commonwealth in the winning of the war and in seeking international co-operation after the war.

Perhaps I may be allowed to convey a special message from the people of Canada to the people of Britain.

No memory of happiness in the past is more cherished than the recollection of the visit of Their Majesties the King and Queen. In Canada, as in Britain, the years of war have heightened the admiration and increased the affection felt by men and women everywhere for our King and Queen. We have been inspired by their courage and devotion in sharing the dangers and sorrows of the people. In all nations of the Commonwealth, their example has deepened the meaning and significance of our common allegiance to the Crown.

The heroic endurance of the people of Britain is ever present in our minds. We shall never forget your resolution in the darkest days of the war. Nor shall we ever cease to remember the determination with which, amid destruction of your homes and in peril of your lives, you, the men, women and children of Britain, have continued to carry on your work and to maintain your confidence in the future. Clearly the maintenance of human freedom has depended upon the preservation of the freedom of Britain. It is our greatest pride, as it is the greatest pride of other British nations represented here, that when, for so long a time, you alone bore the brunt of the attack, we stood with you in arms against the might of Nazi Germany. The free nations of the world can never forget that it was the indomitable resistance of the people of Britain that bought the precious time for the mobilization of the forces of freedom around the globe.

Britain has also been an example to the world of the organization of a free people for a common task. You have astonished the world by the marvels of your industrial production and by the skill and efficiency of your workers. You have never lost your faith. A new energy, a new confidence have been generated in your people. These will endure. And your faith, tested and tried in the fires of affliction, will be firmer and stronger than it has ever been.

When victory is won, you will still possess the same initiative, vigour and endurance; the same skills of hand and brain; the same qualities of mind and spirit. These have enabled the people of Britain to make a contribution to the winning of the war which, man for man, no other nation has surpassed. In peace as in war,

these qualities will remain. In the building of a better world after the war Britain will be able, by the force of her example, to give the same leadership that she has given in the waging of war.

It is, however, not of Britain but of Canada that I am expected to speak on this occasion. I should like, therefore, if I may, to speak to you particularly of the spirit of Canada, as exemplified in Canada's war effort. I do this with less embarrassment as a like spirit, I know, animates the war efforts of all the nations united in a common allegiance to the Crown. I should like to speak, as well, of what that spirit signifies for the future of the British Commonwealth and of its relations with other nations in the building of a new world order.

In speaking of Canada's war effort it is not my intention to describe our contribution to the present world conflict primarily in terms of men and materials. What I should like to refer to are certain aspects which, viewed collectively, reveal the spirit of the Canadian people.

I place first the aspect I regard as most significant. Canada's war effort is a voluntary effort. It is the free expression of a free people. Like the other nations of the Commonwealth at war to-day, we entered the war of our own free will; and not as the result of any formal obligation. Ours was not primarily a response to a call of blood or race. It was the outcome of our deepest political instinct—a love of freedom and a sense of justice.

As our decision was a voluntary decision, so the effort of our people in carrying on the war has been a voluntary effort. In Canada, as in other countries, controls and restrictions have been imposed in order to prosecute the war with vigour and efficiency. But at every stage these measures have received the overwhelming support of the Canadian people.

Canada's population numbers eleven and a half millions. Three-quarters of a million of our finest young men are serving in the armed forces. This military demand on our manpower resources has not prevented our country from doubling its pre-war production. Thanks to the skill and devotion of our men and women, Canada is a granary, an arsenal, an aerodrome, and a shipyard of freedom. Our country has become increasingly proud of the fact that every fighting man from Canada serving across the seas, on the seas and in the air, is a volunteer. We can say, in very truth, that our effort in this war is a voluntary effort.

Canada's decision to enter the war was an immediate decision. When, in 1939, the last hopes of peace were fading from the world, I announced that, if Britain took up arms in the defence of freedom, our Government would ask Parliament to place Canada at Britain's side. When war came, there was no hesitation. As soon as Parliament could act, Canada was at war.

In those days few if any of our people believed our country stood in immediate danger of attack. What we sensed immediately was the issue. We saw that a bitter struggle had begun between freedom and domination and that the conflict would certanly spread. For the second time in a generation Canada went to war to help prevent tyranny in Germany from extending its domination to other parts of the globe.

When the last war ended the people of Canada, like other freedom-loving peoples, hoped and believed that peace and freedom had been assured to mankind for generations. In our National War Memorial that hope and that faith were symbolized by inseparably joined figures of peace and freedom. But all our history, all our political experience told us that freedom in Canada could not survive in a world that was no longer free.

From the beginning, our war effort was so planned and organized that we might reach, as rapidly as possible, the maximum effort our people could sustain during a long war.

We expanded our Navy as fast as we could build or acquire the ships and train the men. We expanded our Army to the highest strength we believed we could maintain in a long war. We expanded our Air Force to the limit of our capacity to secure the needed equipment and to train personnel.

The British Commonwealth Air Training Plan was expedited and expanded beyond all anticipations. The one hundred thousandth fighting airman has just completed his training. The co-operative training in Canada has vastly increased the joint strength in the air of the United Nations.

We have expanded our war industries far beyond the needs of our own armed forces. Despite the withdrawal of hundreds of thousands of men from the farms, the fisheries, the mines and the forests, we have greatly enlarged our production of foodstuffs and raw materials. We are devoting about half our total production directly to the waging of war. We are paying about half of the financial cost of our war effort out of current revenue from taxation. Through victory loans and war savings, nearly every family is helping to finance the war.

In fighting men, in weapons and munitions, in food and in finance, we are seeking as a people to make our utmost contribution to the fight for world freedom. Our objective has been a total effort for total war, and we believe that objective is being attained.

Of the nations of the western hemisphere, Canada was the first to defend in arms the frontiers of the freedom of the new world. For more than two years our country, alone in the Americas, was at war. In more ways than one our effort has been a pioneering effort.

Canada's contribution to the present war has been the greater because we live side by side with the United States. Without the harmony and reciprocity which exist between our two countries, neither could have achieved so much in the common cause. The ability of both Canada and the United States to defend the North American continent and to fight abroad has been greatly increased by our arrangements for joint defence and by the pooling of resources.

We have sought to make our war effort, wherever possible, a co-operative effort. The extensive military works undertaken in Canada in conjunction with the United States have provided a remarkable instance of close and friendly co-operation. Ours is surely the supreme example of a smaller nation living in the fullest security and harmony side by side with a very powerful one.

As a part of our war policy, Canada is sharing, with other of the United Nations, ships, machines, weapons and other supplies which, as I have said, we are producing far in excess of the needs of our own armed forces. Since the war began we have supplied to Britain, and to Britain's armed forces, war materials and other supplies worth nearly nine hundred million pounds ($4,000,000,000). Almost half of these supplies represent an outright contribution. Under our system of mutual aid, war materials have, for the past year, been supplied without payment to the United Nations, in accordance with strategic need. Canada is now supplying mutual aid to Britain, Australia, the Soviet Union, China and the French Committee of National Liberation.

As the war has progressed, our effort has become more and more a world-wide effort. Canadian-made machines and munitions of war have been used on all the fighting fronts. Canadian sailors and merchant seamen have served on all oceans. Our airmen have fought in the battle of the skies around the globe. From the early days of the war our soldiers have helped to guard this island. They have seen active service in the Pacific area, as well as at Dieppe, and in the Italian campaign. To-day our army awaits the word of command to join with their comrades in the liberation of Europe. The morrow will witness Canadian forces taking part in a final assault upon Japan. Canada's effort has truly become a world-wide effort.

I need scarcely say that we are in this war to the end. Canada's fight for freedom will be a fight to the finish. It is clear to our people that this war is all one war: a monstrous conspiracy of the fascist powers to dominate and enslave the world. Having taken up arms of their own free will, the Canadian people will not relax until freedom is secure. Canada's effort will be an enduring effort.

We have also sought to look beyond the war; to make our effort a long-range effort. The Canadian people, no less than the people of Britain, whose sacrifices have been so great, need the promise of a brighter future. To sustain us in our endeavours, we all need the vision of a new world order.

By co-ordinated action, by mutual aid, by continuous co-operation, the United Nations are achieving military victory. The widest measure of co-operation will be no less needed in the making and keeping of peace. While our primary aim, like yours, is military victory, our ultimate aim, like yours, is a better future for mankind.

Above all, our war effort must be viewed as a national effort. Our decision in 1939 was more than the free choice of a free parliament. It was the most solemn act of a free nation. Our war effort appeals to our national pride. We have sought to make it worthy of Canada.

I have spoken of the war effort of Canada. May I hasten to say again that a like spirit has animated the war efforts of each of the other nations of the Commonwealth. With due allowance for varying conditions, the several aspects of Canada's war effort have been paralleled in Australia, New Zealand and South Africa. When war came four nations, all of them thousands of miles from the scene of the conflict, ranged themselves at the side of Britain. To each the issue was plain; from each the response was immediate. Each is seeking to put forth the utmost effort. The contributions of all bear the imprint of the initiative and self-reliance of the pioneer. Co-operation has marked their course throughout. Each is making a long-range effort which will prove to be an enduring effort. It is the pride of each that its war effort has been a national effort.

Nor have we far to seek to discover the cause of this identity of effort. The spirit of a nation is not readily defined. It is known only as it is revealed. It resembles the flow of waters hidden beneath the earth's surface. From time to time and from place to place the waters having their origin in some secret source reveal themselves as springs, or streams,

or rivers. So also, from time to time, a nation's spirit wells up from its source and manifests itself in the collective acts of a people. Such collective action is quickened and heightened at a time of war.

The war efforts of the nations of the Commonwealth owe their inspiration to a common source. That source is the love for freedom and the sense of justice which, through generations, have been nurtured and cherished in Britain as nowhere else in the world.

The terrible events of 1940 revealed how great was the menace to freedom and how suddenly freedom might be lost. So long as freedom endures, free men everywhere will owe to the people of Britain a debt they can never repay. So long as Britain continues to maintain the spirit of freedom and to defend the freedom of other nations, she need never doubt her own pre-eminence throughout the world. So long as we all share that spirit, we need never fear for the strength or unity of the Commonwealth. The voluntary decisions by Britain, by Canada, by Australia, by New Zealand, and by South Africa are a supreme evidence of the unifying force of freedom.

This common effort springing from a common source has given a new strength and unity, a new meaning and significance to the British Commonwealth and Empire.

Without attempting to distinguish between the terms "British Empire" and "British Commonwealth," but looking rather to the evolution of this association of free nations, may I give to you what I believe to be the secret of its strength and of its unity, and the vision which I cherish of its future. "We . . . who look forward to larger brotherhoods and more exact standards of social justice, value and cherish the British Empire because it represents, more than any other similar organization has ever represented, the peaceful co-operation of all sorts of men in all sorts of countries, and because we think it is, in that respect at least, a model of what we hope the whole world will some day become."

This vision, I need scarcely say, is not mine alone; indeed, the words in which I sought to portray it are not even my own. They were spoken thirty-seven years ago by one whose fame to-day is not surpassed in any part of the world if, indeed, it has been equalled at any time in the world's history. They are the words of the present Prime Minister of Britain, uttered by Mr. Churchill in 1907. As they continue to reverberate down the years, they bring fresh inspiration to all who owe allegiance to the Crown and increasing hope to mankind.

Visions of youth, sometimes, "die away,
And fade into the light of common day."

They fade, not because the vision is ever wholly lost, but because resolution wavers, because determination fails, because of seemingly insuperable obstacles. It has not been so with Mr. Churchill. He has not to ask

"Whither is fled the visionary gleam?
Where is it now, the glory and the dream?"

The glory and the dream—are they not being realized, at this very hour, in the strength and unity of the nations of the Commonwealth?

From time to time it is suggested that we should seek new methods of communication and consultation.

I believe very strongly in close consultation, close co-operation, and effective co-ordination of policies. What more effective means of co-operation could have been found than those which, despite all the handicaps of war, have worked with such complete success.

It is true we have not, sitting in London continuously, a visible Imperial War Cabinet or Council. But we have, what is much more important, though invisible, a continuing conference of the Cabinets of the Commonwealth. It is a conference of Cabinets which deals, from day to day and, not infrequently, from hour to hour, with policies of common concern.

When decisions are taken they are not the decisions of Prime Ministers or other individual Ministers, meeting apart from their own colleagues and away from their own countries. They are decisions reached after mature consideration by all members of the Cabinet of each country, with a full consciousness of their immediate responsibility to their respective Parliaments.

Let us, by all means, seek to improve where we can. But in considering new methods of organization we cannot be too careful to see that, to our own peoples, the new methods will not appear as an attempt to limit their freedom of decision or, to peoples outside the Commonwealth, as an attempt to establish a separate bloc. Let us beware lest in changing the form we lose the substance; or, for appearance's sake, sacrifice reality. I am told that, somewhere, over the grave of one who did not know when he was well off, there is the following epitaph: "I was well; I wanted to be better; and here I am."

In the passage I quoted from Mr. Churchill a moment ago I gave only a part of what he said. He set forth, as well, the means of realizing his vision of peaceful co-operation. "Let us", he said, " . . . seek to impress, year after year, upon the British Empire, an inclusive and not an exclusive character."

Like the nations of which it is composed, the British Commonwealth has within itself

a spirit which is not exclusive, but the opposite of exclusive. Therein lies its strength. That spirit expresses itself in co-operation. Therein lies the secret of its unity. Co-operation is capable of indefinite expansion. Therein lies the hope of the future.

It is of the utmost importance to the Commonwealth that there should continue to be the greatest possible co-operation among its members. In like manner it is, I believe, of the utmost importance to the future of mankind that, after the war, there should be the greatest possible co-operation among the nations of the world.

Our wartime co-operation is not the product of formal institutional unity; it is the result of agreement upon policies of benefit to all. Moreover, they are policies that make an appeal "to all sorts of men in all sorts of countries," provided only they are men of good will.

If, at the close of hostilities, the strength and unity of the Commonwealth are to be maintained, those ends will be achieved not by policies which are exclusive, but by policies which can be shared with other nations. I am firmly convinced that the way to maintain our unity is to base that unity upon the principles which can be extended to all nations. I am equally sure that the only way to maintain world unity is to base it upon principles that can be universally applied.

The war has surely convinced all nations, from the smallest to the greatest, that there is no national security to be found in the isolation of any nation or group of nations. The future security of peace-loving nations will depend upon the extent and effectiveness of international co-operation.

It is no less true that it is not the great powers only that are needed to defend, to preserve, and to extend freedom. We should be false to the freedom for which we are fighting if, at any time, we failed to remember that no nation liveth unto itself; and that nations, great and small, are members one of another.

It is not merely the security of nations that is indivisible. Their prosperity also is indivisible. Few would wish to return to the years before the war, when almost every nation sought economic security in economic isolation from its neighbours. What happened was that the economic security of all nations was destroyed. Now is surely the time for the whole world to realize that, just as no nation of itself can ensure its own safety, so no nation or group of nations can in isolation ensure its own prosperity.

For my part, I profoundly believe that both the security and the welfare of the nations of the British Commonwealth and, in large measure, the security and welfare of all peace-loving nations will depend on the capacity of the nations of the Commonwealth to give leadership in the pursuit of policies which, in character, are not exclusive but inclusive. How far such policies can be successfully pursued will, of course, depend on the extent to which other nations are prepared to pursue similar policies. But let us, at least, wherever that is possible, give the lead that is in the interests of the world as a whole.

You, Prime Minister, have referred to the importance of strengthening the fraternal association that now exists between the British Commonwealth and the United States.

Over many years Canada's relations with the United States have been especially friendly. Throughout the war, we have followed the path of co-operation. We like to think that our country has had some part in bringing about a harmony of sentiment between the United States and the whole British Commonwealth. That harmony is the foundation of the close military collaboration which is proving so fruitful in this war.

It will ever be a prime object of Canadian policy to work for the maintenance of the fraternal association of the British and American peoples. When peace comes it is our highest hope that the peoples of the British Commonwealth and the United States will continue to march at each other's side, united more closely than ever. But we equally hope that they will march in a larger company, in which all the nations united to-day in defence of freedom will remain united in the service of mankind.

We are approaching, in the European theatre, the supreme crisis of this long and terrible struggle. In this fateful hour it is imperative that everything be done to maintain single-minded concentration on the achievement of victory. That is our first obligation. It is our duty to the humble people in all the Allied countries whose patient endurance, unremitting toil and ready acceptance of the burdens of war have made possible the immense strength in war materials and supplies of the United Nations. It is our duty, above all, to the millions of fighting men who, with their lives, are defending our freedom and the freedom of mankind.

The assurance of unfailing support to our sailors, soldiers and airmen is the supreme objective of the present meetings of Prime Ministers. We have met here, first and foremost, in order to do everything possible, by co-operation and by united action, to assure that support in largest possible measure on all the fighting fronts.

The present war is different from any war in the past. It is different in scale. In any accurate geographical sense, it is the first world war in history. It is a war that is being fought not only on land and at sea but also in the clouds, miles above the surface of the earth. It is, moreover, a war that is not confined to the material realm. It is a struggle for the control of men's minds and men's souls. Its outcome will shape the moral destiny of the world.

The support of our fighting men and our debt to all who are near and dear to them must extend beyond the theatres of war. It must look beyond the end of hostilities. We owe it to all who bear the heat of the strife; we owe it to those who are crippled and maimed; we owe it to the many homes that are bereaved; we owe it to the memory of those who give their lives; to do all in our power to ensure that their service and their sacrifice shall not have been in vain.

In the past, the sacrifice of human life in war has been commemorated in monuments of stone or bronze. After this war we must create a more fitting memorial. That, I believe, will be found only in securing for others the opportunities of a more abundant life. Already we of the British Commonwealth and Empire are a community of many nations, of many races and of many tongues. Already we have advanced far in the art of responsible government, in the practice of international co-operation and in the application of the principle of mutual aid. Surely it is ours to help fashion a new world order in which social security and human welfare will become a part of the inheritance of mankind.

The war has been none of our making. We sought, above all else, the promotion of peace, of understanding and of good will. We deplored the extension of war to all parts of the world. Yet in the perspective of time this world-encircling danger may prove to have been a blessing in disguise. Only in this way, perhaps, could other nations as well as our own, have come to see that the interests of mankind are one and that the claims of humanity are supreme.

Our first duty is to win the war. But to win the war, we must keep the vision of a better future. We must never cease to strive for its fulfilment. No lesser vision will suffice to gain the victory over those who seek world domination and human enslavement. No lesser vision will enable us fittingly to honour the memory of the men and women who are giving their all for freedom and justice.

In the realization of this vision, the government and peoples who owe a common allegiance to the Crown may well find the new meaning and significance of the British Commonwealth and Empire. It is for us to make of our association of free British nations "a model of what we hope the whole world will some day become."

Mr. CHURCHILL: My Lords and gentlemen, I call upon the Lord Chancellor to propose a vote of thanks to our honoured guest.

THE LORD CHANCELLOR (Right Hon. Viscount Simon): My Lords and Members of the House of Commons:

Mr. Speaker and I have been asked to express in a few sentences the gratitude which we both feel to the Prime Minister of Canada for his presence and speech. The demonstration which followed the close of his address shows that, indeed, no long argument is needed. We are very grateful to Mr. Mackenzie King for saying, with so much eloquence and vigour, many wise and stimulating and hopeful things. I think we are especially grateful to him for the account which he gave—the brilliant account which he gave—both of the spirit of Canada and of the truly stupendous contribution which that Dominion is making to the common effort. I think Mr. Speaker will join with me if I venture to say to Mr. Mackenzie King, on behalf of this great company, that we do most sincerely express our admiration for all the efforts which this great Dominion is making, and we rejoice to think that we have amongst us the leader of that great people.

It wasn't so many years ago that, when any of us brought visitors into this part of the Palace of Westminster, we were considerably puzzled how to reply to the question, "What is this room for?" The most hopeful answer, I think, was that this large and splendid hall was built in order to find room for two quite enormous pictures which otherwise couldn't be accommodated. That was an injustice to the architect who designed this great hall one hundred years ago. He must have anticipated what would happen. For, thanks now to the way in which Mr. Mackenzie King can leave his country one evening and arrive here the next morning, and other astonishing excursions by other Dominion Premiers, this great hall, lying as it were between the House of Commons and the House of Lords, has become on great occasions such as these a piece of common ground where Members of the two Houses may safely meet and where they can listen to an address without any breach of the ancient and precisely preserved privileges of either Chamber.

We are greatly rejoiced that Mr. Mackenzie King has now been added to the list of those who have thus addressed us. And with all our hearts we thank him for his speech, and wish to express to him in the warmest terms our feeling that that speech and the spirit behind

it are all contributing to the unity and the comradeship of the British Empire, which is the surest guarantee of ultimate victory and the best hope of a peaceful world in the future.

Mr. CHURCHILL: My Lords and gentlemen: It has been my experience over a great many years to await the call of Mr. Speaker, and I am now fully conscious that the tables are turned, and I mean to avail myself of this advantage to the full.

Mr. SPEAKER (Col. the Right Hon. D. CLIFTON BROWN): On this occasion, although it may be slightly out of order, I am pleased indeed to obey the call of the Prime Minister.

Now I second this vote of thanks to Mr. Mackenzie King with great warmth indeed. I am only going to utter two sentences to you. In one I want to echo the warm appreciation we have of all that our fellow Britishers have done in the Dominion of Canada, under the leadership of Mr. Mackenzie King. We stand lost in admiration of the effort which they have put forward in this war. That's my first sentence. My second is this: That I believe Canada is building up something even greater than action in this war. I speak now, if I may, for Members of the House of Commons, and I believe for the Members of the House of Lords too,—we are lost in admiration, it has struck our imagination, the Air Training scheme which Canada has set up. Therein you have the cream of all young men, not merely from Canada but from all the rest of the Dominions and from the free nations of the world, meeting together, training together, forming bonds and links which I think the Prime Minister of New Zealand described the other day as "invisible, yet stronger than steel." Those, I believe, are the links which are going to bind our Empire together in the future—of incalculable strength and incalculable value to the British Empire.

For all that work that the Canadians and Mr. Mackenzie King are doing on our behalf, I thank him most warmly and for the speech which he has given to us, which I beg to second.

Mr. CHURCHILL: All in favour of the vote of thanks to Mr. Mackenzie King, say Aye.

Aye!

Mr. MACKENZIE KING: Lord Chancellor, Mr. Speaker:—

May I thank you both very warmly for the exceedingly kind words which you have just spoken. May I thank you again, Prime Minister, for the words that touched my heart very deeply, and which I believe will meet with warm response in the heart of Canada.

May I again thank the Members of the House of Lords and the Members of the House of Commons for their great courtesy in being present this afternoon in such numbers. May I thank you very warmly for the "Aye" which I heard when the Prime Minister put the resolution to this gathering. "Ayes" are always pleasant to the ears of Government.

THE PRIME MINISTER OF AUSTRALIA

ADDRESS OF THE RIGHT HONOURABLE JOHN CURTIN TO MEMBERS OF THE SENATE AND OF THE HOUSE OF COMMONS, IN THE HOUSE OF COMMONS CHAMBER, OTTAWA, JUNE 1, 1944

(Mr. Curtin was welcomed by the Right Honourable W. L. Mackenzie King, Prime Minister of Canada, and Mr. Gordon Graydon, Leader of the Opposition, and thanked by the Honourable Thomas Vien, Speaker of the Senate, and the Honourable James Allison Glen, Speaker of the House of Commons)

Right Hon. W. L. MACKENZIE KING (Prime Minister of Canada): Members of the Senate and of the House of Commons:

We are greatly privileged to have as a guest of our two Houses to-day the Right Honourable John Curtin, the Prime Minister of Australia. Mr. Curtin has kindly consented to address us this afternoon. Before he does so I should like, on behalf of the Parliament and people of Canada, to say just a word or two to him; and, through him, to the Parliament and people of Australia.

It is difficult to believe that more than three years have elapsed since members here assembled had the honour of being addressed by Mr. Curtin's distinguished predecessor, the Right Honourable R. G. Menzies. At that time, the war was far into its second year. Nazi Germany had subjugated most of Europe. There was desperate fighting in Egypt, in Libya, in Greece and in Crete, and on the waters of the Mediterranean. In all these theatres of war, and over Europe, from Britain, Australian soldiers, sailors and airmen had been heroically withstanding the onslaughts of the enemy, often at great sacrifice.

But not in Africa and Europe only were the armed forces of Australia on active service. They were serving at that time in Australia itself, in Asia, at Singapore and in Malaya, some, we are proud to say, were training as brothers in arms with our own airmen here in Canada. On no less than five continents and on many seas, Australia had distributed her fighting forces to help preserve the world's liberties. All this was even before Russia had come into the war. I mention these things that you, Mr. Curtin, may know that the recollection of the service rendered the world by Australia in those early and perilous years is as vivid in our minds to-day as ever it was. These memories will never be effaced.

Appalling as the prospect appeared to your countrymen, as, indeed, it did to all the other peoples of the British Commonwealth in those first two years of war, that prospect, to you and to the people of Australia, must have seemed almost unreal by comparison with the situation which confronted Australia within two months of the time you became leader of the Government.

For years, the Japanese had been waiting for the day they might proclaim themselves masters of the Pacific. While you were denuding your own continent of its bravest men, and even of its own defences to help save freedom in Europe, Japan was extending her conquest of China. She was stealthily encroaching on other territories which brought her, in full strength, ever closer to your own shores. After Pearl Harbor, after the fall of Singapore, before aid could come to you from any quarter of the globe, you and the people of Australia must have experienced terrible anxiety. What Britain had to endure, when she stood alone facing the might of Germany, Australia for many months must have felt in facing the might of Japan. As Britain kept open the gates of freedom in the North Atlantic, so Australia and New Zealand kept open the gates of freedom in the South Pacific.

The free world will probably never realize what it owes to Australia, what it owes, Mr. Curtin, to your own sagacious and resolute leadership. We are anxious, however, at this moment to express what acknowledgment we can of so great a debt. With this acknowledgment we wish to give to you the assurance that just as your forces and ours have been exerting their strength wherever the call was most imperative in this global war; just as to-day we await with confidence the outcome of the colossal conflict which will crush for ever the menace of Nazi tyranny; so on the morrow our forces will be found closer than ever at the side of yours, sharing with our allies in the total destruction of the tyranny of Japan.

Before calling upon the Prime Minister of Australia to address us, I shall ask Mr. Graydon, as Leader of the Opposition, to join with me in extending to Mr. Curtin a unanimous welcome, and our best of wishes for the safe return of Mrs. Curtin and himself,

and the members of their party, to their homeland. We ask them to take with them to the people of Australia the profound admiration and heart-felt good wishes of all the people of Canada.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I desire to associate His Majesty's Loyal Opposition and, if I may be permitted, other opposition groups in the House as well, with the eloquent and gracious words of welcome which the Prime Minister has extended to-day to our honoured and distinguished visitor. We warmly welcome the Right Honourable John Curtin as a statesman with a long, honourable and successful parliamentary career, and as a prominent member of Australia's "fourth estate." His keen concern for the welfare of the common people and his deep attachment to the cause of labour, which has made such a notable effort in this wartime period, gives to his visit a special significance to this Parliament and the Canadian people.

May I express at this point, too, with what great pleasure the Canadian people extend their hospitality to Mrs. Curtin, who has through the years been such a tower of strength to her husband.

Australia's Prime Minister is just returning from an important meeting of the Commonwealth Prime Ministers. This Conference has given new encouragement and added determination to the British Commonwealth and Empire statesmen, and to the people they represent, to see this war through to a speedy and successful conclusion. Our fervent hope is that this Conference marks only the beginning of even greater things ahead for a strengthened and more closely collaborating Commonwealth and Empire in the closing days of war and in that better world of permanent peace and plenty which must follow.

We greatly admire and honour the record of achievement in two wars of the powerful and heroic Australian forces on the sea, on the land and in the air. Their gigantic contribution to the fight for freedom, which came at one critical stage to Australia's very shores, constitutes an illustrious page in the history of this war, as in the last.

On the civilian front Australia has a magnificent record to her credit as well, and we ask Australia's Prime Minister to-day to carry back to his nation's armed forces and to his people in general the admiration and praise of Canadians for all that Australia has meant to this Dominion, the British Commonwealth and the United Nations in these stern days of test and trial.

So I say to you, Mr. Curtin, that it gives me great pleasure and no small satisfaction to make the words of the Prime Minister, who so eloquently welcomed you to-day, unanimous in the Dominion of Canada.

Right Hon. JOHN CURTIN (Prime Minister of Australia): Mr. Prime Minister, Leader of the Opposition, Mr. Speaker of the Senate, Mr. Speaker of the House of Commons, Members of the Parliament of Canada:

I do not propose in any way to fill out in detail the broad picture of what has been done by the people of Australia in the war. Indeed, sir, if I were to speak at very great length, with far greater power and energy than are mine, I could not pay a tribute to the Australian people more handsomely than have the Prime Minister and the Leader of the Opposition in the addresses which they have delivered here to-day. It will be my great pleasure, as indeed it is my duty, to attempt in some way to convey to the Parliament and people of the Commonwealth of Australia an indication of the spirit that has marked the speeches which have been delivered, and to express to them how highly they are regarded in this great sister Dominion of Canada. I know it will give them great pleasure, but it will not lessen in any way their energies. They will not feel, "Well, now that other countries know what we have done, there is not much more for us to do." On the contrary they will derive inspiration and encouragement from the assurance we all must experience to-day, to see to it that what has now been done so magnificently by the people of the United Nations will be carried through to completion, so that those forces of evil which commenced this struggle against liberty and freedom in the world will be so decisively defeated that in the future it will be impossible either for them or for those like unto them to regenerate conditions or to nourish ambitions which would lead to a fateful calamity such as that which has now overtaken the world as a whole.

You, here, come to this place, the law-making authority of a free people, as the result of the decisions of your citizens. They have their rights and they express them. They register their decision as to who, among those who offer themselves, shall become their representatives, along with other representatives of the people of Canada, in this great hall of legislation and, as their trustees, decide for them the kind of laws that they will be expected to observe. Nowhere in the world outside the Dominion of Canada can anything be said or done which can in any way lessen the complete authority of this Parliament, as the law-making authority of the people of

Canada, to decide for the people of Canada what it is that the people of Canada shall be expected to do.

This principle of the sovereignty of a free people is integral to the cause for which all of us went to war. For it will be remembered that among the very first things the Nazis did was to burn the Reichstag, to destroy the representative assembly, to prohibit the association together of the citizens of Germany for those purposes for which association generally is considered desirable. Before they could attempt to destroy the freedom of the world they had to restrict it at home. And the writing was on the wall for the world at large when despotism in so great a country, with so large a population, began to plant its heel, internally, on the civic rights of the people, on the dignity of the individual man or woman of Germany. From that day onward totalitarianism not only marked the internal policy which Germany was pursuing, but was being constantly extended across the frontiers, infecting the states adjoining Germany. And where that could not be done easily, then the armed forces of Germany were projected beyond the territorial boundaries of Germany itself.

The decisions that had been reached at the Peace Conference were decisions no longer respected, and, as a consequence, force became the instrument with which Germany at home and abroad proceeded to translate its expectations into what it hoped would be fruition.

I need not do more than summarize what occurred. The rest of the world hoped that war had for ever been abandoned as a means of determining international disputes. It was believed that reason could be used in discussion—could be used, indeed, to decide differences of opinion between states as to their rights and their duties. Within the lives almost of the present generation the civilized world had had a bitter experience of the cost of war and of all that war means, apart from its material cost. Therefore they believed that by associating together it would be practicable to devise machinery to prevent a repetition of occurrences which in previous ages and, indeed, in quite recent times had permitted the peace of the world to be disturbed, threatened and destroyed. They believed there could be this alternative whereby, without resort to force, the rights and claims of those who had rights and claims could be fairly and impartially considered and justly decided upon.

As I have said, force rules the world and has ruled it. That being so, notwithstanding the great exertions of those who had hoped for a different state of affairs, the fact became clear when Germany marched into Poland. That march came almost as soon as arrangements could be made, notwithstanding the fact that almost within a recent day or days, so quickly does time move now, an agreement had been made at Munich. The most recent agreement was merely the instrument whereby Germany had provided an anaesthetic for the rest of the world, lulling it into a sense of false security and using the time factor in order to have greater striking power when it felt the moment had come to make the initial onslaught.

No post-mortem is necessary to adjudicate upon world guilt. The facts are themselves there for all to see. It is true that not only Australia but Canada and the whole British Commonwealth were at war when Germany marched into Poland, because Great Britain had given a solemn undertaking to protect Poland against the intruder and aggressor. The pledged word of governments is the moral conscience of the world. There cannot be agreements between nations, there cannot be covenants between states, there cannot be any hope for the future of the world, unless high contracting parties keep their undertakings. It is not an easy matter to arrive at such agreements, covenants and treaties. A wide diversity of interests has to be commingled in some general unity before that can be reached. When it is reached it means so much to the world, because, after all is said and done, the social state of dignity and of decency, and the relationships of the common man within his own order or beyond it, rest finally upon the sanctity of contracts. Thus had Great Britain given this undertaking—given it in order to ensure that there should not be resort to force.

The very fact that Poland was wantonly invaded was not only a violation of the word that Germany had given through its Government; it also violated the purposes and the whole spirit which had marked Great Britain's acceptance of the treaty of Munich. Peace was destroyed by that act. Who is there anywhere in the world now who sees the aggressor on the move, who is able to put a terminus to his movement? Is there immunity for you, but not for me? Ah, no; it is not within the wit of man to circumscribe brutality and to limit violence so long as brutality and violence are permitted without restraint to extend their boundaries.

Therefore the invasion of Poland, while involving immediately the people and the territories of that country, was in fact an indication to the whole world that there was no place which the Nazis could reach and desired to

reach that they would not seek to reach unless their strength could be taken from them. And war came, as we all know.

But the list of the belligerents had not been made clear. Opportunism is one of the arts of war—to take advantage of the chance that comes to you, to be ready to seize whatever be the effects of general military dispositions and the ebb and flow of battle. As it turned out, Germany, having prepared for so long against the powers that had made little or no preparation, not only had the initial advantage, but because of the sheer momentum of the offensive that had been exerted was able to move to the East, then to the West and then to the South. In a little while, as it were, practically the whole of Europe, territorially and from the point of view of the economic structure of Europe that was most vital, was under either direct or indirect German domination.

You saw amid the wreck and misery of nations the flag of Hitler superseding the flags of countries that for many years had been proudly practising not only the principles of liberty, but, in so far as their capacity would admit, the arts of progress. Norway, France, Greece—why add to the list? This gave to Germany so tremendous a command of resources that the battle flowed even into the Atlantic. It would be absurd for me to occupy time in describing the strategy of it, but you can see at once that having taken control of practically the whole of Europe, all that was necessary then to secure control and complete the conquest for Germany was to isolate Great Britain. So the battle flowed with the U-boats and air power to cut off from Great Britain the supplies which would enable her to withstand onslaught. By day and by night the air power of Germany rained blows devastatingly upon the capital city of the motherland of the British Commonwealth. By day and by night from the depths of the ocean seeped up the ravagers that sought the destruction of ships so that food and equipment which Britain needed would not arrive, and that which was a partial deficiency because of lack of preparation would become a complete deficiency because of inability to provide reinforcements and fresh supplies.

You have paid a tribute, sir, to Australia. May we not here, reviewing the world aspect of this terrible struggle, jointly pay a tribute to the people and to the Government of Great Britain, which, standing alone against the fury and strength of Germany, withstood the shock? Not only did they withstand it, but more; they proved that there was in the people of Great Britain the resource and virility and determination and devotion and gallantry which, at that stage at any rate, would not permit the forces which swept through France, which reduced Norway, which completely decimated the Low Countries; the forces which drove, as it were, Greece from its seat of ancient authority and apparently had so largely succeeded that the second belligerent said, "I am in with you,"—it would not permit these forces to go any farther. And Italy having come in, Great Britain still stood.

It is true that Britain had friends. There was the whole British Commonwealth. You have spoken, sir, of what the Australian fighting man did. But here in this place may I now pay a tribue to what the Canadian fighting man did, to what the Canadian airman did, to your having, although unprepared, developed great naval strength; to the experiences you have had in the war, and to your determination to do all that you humanly can to see it through.

Britain was the bastion, but to that bastion as opportunity allowed there came the airmen and the military strength—yes, and the naval forces of the whole British Commonwealth; for if the heart should be mortally attacked how could the nether limbs survive? Australia sent her men—Australian men went over long distances; the truth is that they went because they knew that in fighting for the freedom of the world and for the defence of Britain they were in fact fighting for the defence of their own country. Not that they would not have gone had they believed that Australia was not menaced; for being kith and kin, of a common ancestry and all that goes to make up that vast heritage of freedom which has come down to us through the ages from our forebears who struggled for it where they lived in past ages —all that would have counted with us as it would have counted with you. But Britain stood firm; the forces of Hitler were dispersed as the waves of the sea are broken upon a rock. Hitler, however, felt there were still things he could do to complete his purpose of world domination, which was the central core of the totalitarian concept that Germany entertained. He turned East for a breathing space, so that, not knowing what might happen when he got too far involved in the West, there would not come upon him from behind the strength of Russia. For although there may be ideological differences between political systems, just as there are economic distinctions between dominions of the British Commonwealth—those in the north, those in the South, those in the East, and so on—yet despite these political and economic distinctions there are fundamental principles

which are common to all and which most certainly have to be defended if the realization of the freedom of the State in the future, and of its hopes for the future, is ever to be made possible.

Hitler feared Russia. Fear was an unwise monitor; none the less he drove to the east and brought Russia into the war. We can here pay tribute to Russia for all that she has done; but we can do more. We can express admiration for the colossal way in which that mighty country has rallied herself and energized herself and organized herself and fought in order that the legions of Hitler could not push so far into her territory as to destroy her.

Why go on as a kind of incompetent historian? Yet one is tempted to do so. In time Germany and Italy, because they had brought themselves to face the walls of Britain and the walls of Russia, decided it was desirable that something more should be done. Like a bolt from the blue, the third partner in the Axis struck—struck like an assassin in the night. The President of the United States was having discussions with a special envoy of the Japanese Government. He sent a direct appeal to the Emperor of Japan, and the Emperor replied with bombing raids on Pearl Harbor and with attacks on Singapore; replied with the instruments of his armed power to hit simultaneously at two bastions of freedom in the Pacific, believing that if he could neutralize those bastions there would then devolve upon the United States, as upon Great Britain, so very long a period for the rehabilitation of those bases and those resources that, in the meantime, he could consolidate his co-prosperity sphere and, without very much opposition, possibly be able to go as far as his ambitions led him. If you will look at it shortly you will perceive how nearly successful that campaign was. Malaya, then down through the Netherlands East Indies, then across into New Guinea, into the Solomons, Pearl Harbor and Hawaii, and the whole Pacific open to Japan's naval power with the bases they had established—improperly according to any standards of decency between nations, because in spite of their mandate they fortified these bases contrary to treaty stipulations. Thus they had given to them a capacity with which to cut the supply line between the United States and Australia, just as Hitler believed that he could cut the supply line between this continent and Great Britain and isolate in the South the one land available as a base from which to mount great strength in order ultimately to defeat the Japanese.

It was a very close call that Great Britain had. It was a very close call that Australia had. Just a little more here, a little less there, and the result might have been different. The margin was not sufficiently large for comfort for either the Government of Great Britain or the Government of Australia. But the margin was on the right side. The strength came. The massing of resources in Great Britain has gone on steadily. The battle of the Atlantic has now turned from the U-boat hunting to the U-boat being hunted. And so in the Pacific, where Japanese air and naval power was continuously expanding, Japanese air and naval power is now on the defensive. The orientation of the war is different now from what it was. There are varying periods in the lives of men, and all of us have episodes; and so it is in war. War is not a static thing. If at the commencement of this colossal struggle the United Nations were on the defensive, and the initiative and the power to exert the offensive rested with the Axis, imposing upon the United Nations a holding strategy, that holding strategy has been completed. Behind it the requisite strength has been marshalled, and the time came, not simultaneously everywhere, when it could be employed in limited offensives to weaken the offensive of the enemy. So the skill and genius of commanders in all theatres was directed to that purpose, to the point where the enemy was driven out of North Africa—but not without cost, not without a great deal of time being taken in the campaign, and not without a stupendous burden upon the productive resources of this and every other continent that is on the side of the Allied Nations in the effort to provide the material with which the fighting men in North Africa could at last carry through the task of making some return for all that had happened previously in North Africa, in Crete, in Greece and thereabouts.

Then you saw the entry into Italy; and now you see the battle in Italy raging, and you know that the battle which has been started is one which we confidently believe will represent the terminal point of German-Italian collaboration in any part of Italy. However, let me do no more than generalize; for hours, days or weeks are not for me to measure. The cardinal fact is that where the enemy held all the strategical locations from which to exert attacks upon the forces of the Allied Nations, to-day he is going backwards, towards Berlin in Europe, towards Tokyo in the Pacific. This could not have been done without imposing upon the civil populations of all the United Nations the burdens of war. You cannot escape the inevitable price which will have to be paid for what has to be done. Soldiers

have to be fed; supplies for them have to be transported vast distances; they have to have equipment for war vastly different from the equipment man uses in peace-time. Therefore, in factories which were producing goods useful to us as citizens to nourish our bodies, to warm ourselves, to house us, only a portion of the materials and the skill and the labour which had been devoted to that end can now be devoted to it, and this would be inadequate to provide more than the minimum scale which would ensure to the civil population the measure of health and strength necessary to the production of instruments of war. Here that is broadly true; in Australia it is broadly true. The people have agreed that the greater claim upon industry shall be to produce the essentials for the waging of war, that to a minimum the civil population shall have satisfaction of its needs; that there must be a drastic curtailment of its wants.

Taxation has been mounting. I am sure that the Chancellor of the Exchequer and the treasurers of Canada and Australia are quite delighted in discovering how infinite are the resources of their various populations. This burden has had to fall upon the people at home. They have had to work long hours. They have had all kinds of exhausting tasks to carry out. It has been done cheerfully. Yet no burden that is borne by those who work in the factories, the fields, or the industries of the country is comparable to that which has been imposed upon the fighting men, wherever they are—in the deserts of North Africa or in the frightful places of the East; in disease-infected jungles, with no roads, with fearful humidity, with conditions under which white men have not been accustomed to live in any great numbers, let alone to fight.

So that as the obligation which comes first to all the governments is that of satisfying and maintaining the strength requisite to keep the fighting men fit wherever they may be—and the civil populations must provide that substance, because there is no other physical way in which it can be done—when the war is over, the obligations to the fighting men will not have ceased. The burdens which governments will carry will be dual burdens—to rebuild the resources of the country so that the arts of peace may flourish, and at the same time to satisfy that solemn debt of honour which all governments owe to the fighting men, and to their dependents, for having stood between the enemy and those at home and enabled those at home to sleep comfortably at nights and to be assured that their institutions and their way of life would not be molested by an invader.

As I look at this stage of the war I cannot do other than express heart-felt gratitude to the fighting men of the United Nations as a whole and to their commanders, who have done the most to keep the world from becoming the slaves of despots and of tyrants. Then I would pay tribute to that quality for concert which nations of different political systems have developed, and which I hope and pray—and will strive to see accomplished—will be maintained when the war has ended.

You have said, sir, that I have been in parliament for some years. We know our parliamentary system. Leaders of the opposition, prime ministers, ministers of state, leading representatives of the Opposition, are all engaged in what may appear to an outsider as vain disputation and constant controversy. The Government can never do anything right, say the Opposition; and the Opposition has no resource or capacity to be entrusted with the Government, say the ministers. Well, that goes on time and time again. But in all the great matters of national duty, the maintenance of the social order and the promotion of the true welfare of the people, the best counsellor the prime minister has is invariably the leader of His Majesty's Opposition. That has been my experience with these political parties. They bring out the truth as to what is the right way to solve a problem. We do not in our parliamentary system ignore discussion. We do not trample down minorities. We are not overawed by numbers. As a matter of fact the Opposition is always able to speak eloquently and effectively—it does not know quite so much about the problem as the Government! That has always been so. Yet you see in times of crisis the unity of the people in Australia, in Canada, in Great Britain, with all our diversities of political parties and practices and the like; none the less, out of that discussion and that distinctiveness and that variation in the point of view a unity emerges. It is the more permanent and effective, because that is the way it comes, rather than as a result of the ukase of a dictator and the fears of those who must yield to his demands. It is a unity born of the supremacy of persuasion. It is a unity that emerges to give triumph to conviction rather than to cowardice or weakness. It is the strength born of the triumph of reason.

This being true of each of our Dominions in respect of the national unity of our own people, then you have the representatives of those Dominions going to a conference. They are composed in their own countries of leaders of parties, but they are also the heads of governments. They meet in London. No longer do they meet as leaders of parties; they meet as heads of governments, respon-

sible in all they do for the presentation of what is the considered view and consensus of their Dominions as Dominions. They feel certain that the view they put has to stand not only the test of immediate criticism but the test of time; for by their agreements they may commit their country to a point of view —not to any surrender of the sovereignty of the Parliament and the Government, but to the promotion of a generic idea which will lead to concerted action and co-operative endeavour.

Need I do more than just illustrate to you how significant to students of history is the fact that you could get at one table Mr. Roosevelt, the President of the United States and leader of the Democratic party in that country; Mr. Churchill, the leader of the Conservative party in the United Kingdom, and the leader of the United Kingdom, and Mr. Stalin, the Premier of the Socialist Republics of Russia. There they met. They did not meet to discuss whether Conservatism is good or bad, or whether this particular type of political idea is better than another. They met to concert measures to serve the world.

The British Commonwealth Prime Ministers met, certainly with lesser problems and with lesser status, but none the less as a microcosm, as it were, a smaller association to promote concord, to help each other to devise formulas and to make arrangements, so that in a world where none of us is strong enough to stand alone we shall discover how and by what means we can best stand with and for each other.

This brings me then to my final thought; for there you have the problem of statesmanship in the years to come for all governments that are anxious, as all should be, and I believe are, to have regard for the welfare of mankind. What is the worst evil that can come to us? It is to be taken away from the promotion of the social and economic progress of our country in order that so many thousands, indeed millions, of useful persons in the fields, workshops, mines and the like shall no longer be available to produce the things that will minister to man's comfort, but be set apart in a vast army to engage solely in resistance to another vast army, imposing upon all those who have been left behind the double burden of feeding them and feeding with inadequate resources the whole population of the globe.

We see man's history interrupted repeatedly by wars, by bitter strife, by this ghastly loss to civilization. Upon the great nations, then, surely there falls the responsibility of making it clear that that association which war has meant for us—for Russia, for the United States, for the British Commonwealth, these three great powers, together with China, that great land mass and teeming population in the far east—these four who have subscribed themselves to the Charter—means that their great resources involve also high responsibilities. What is their major responsibility? Just as they could agree and find ways and means to pool their strength to resist a brutal foe who threatened their homes, their liberties and the sovereignty of their peoples in their own affairs, so surely this strength, so prodigious in the present service of freedom, is a strength which can be maintained and made use of in order to prevent a recurrence of calamities such as Hitler and his Axis collaborators have forced upon an unwilling, indeed a victimized world.

I make a plea here in this free Parliament for the average citizen, for the shopkeeper, for the mother of forty years of age with sons and daughters who may be eighteen, sixteen or twelve; for the next generation; for those who are unborn; for my grandchildren, if there be any. Let us, since we have found fraternity and association and collaboration so indispensable to get the strength with which to meet the attack, preserve that association and use it, nourished by the genius of statesmanship, to ensure that the world shall not have a recurrence of this dreadful and indeed abysmal conduct whereby the sword has become the instrument of government, instead of the light of reason, which, despite all that may be said by the critics of democracy, can give to a free people not only as clear a vision of the future, but a capacity for decision, for right decision, which the totalitarians can never attain.

May I thank you very deeply for the great honour you have done me this afternoon in inviting me to speak to you. I come from a country small in point of numbers, a country of seven million people. We have an area of approximately three million square miles. We are in the south Pacific. Think for one moment about the map of the world and have a look at the lands that are south of the equator—South America, South Africa, Australia, New Zealand and the number of smaller islands scattered about, mainly in the Pacific. Consider the characteristics of the people that live in those parts, and you will understand me when I say that the struggle to preserve Australia was a struggle to be of service to the world.

Right Hon. MACKENZIE KING: I would ask the Speaker of the Senate and the Speaker of the House of Commons to express our thanks to Mr. Curtin for the very eloquent address which he has just delivered to us.

(Translation):

Hon. THOMAS VIEN (Speaker of the Senate): Mr. Prime Minister of Australia, the Canadian people are, as you know, largely

of British and French extraction. I am very happy to be given the opportunity of expressing to you in my mother tongue, one of the two official languages of this country, the deep gratitude of the Senators, of the Members of the House of Commons, and, indeed, of the whole people of Canada, whom you have honoured by this visit at the conclusion of the historic London Conference and by the gracious and very moving words you have just spoken.

Your great reputation, Mr. Prime Minister, has preceded you in this country. You come to us in the radiance of the glory with which your fellow countrymen covered themselves on every battlefield during the first Great War—and of the even greater glory which they have achieved during the present conflict. Australia has earned the eternal gratitude of mankind for having heroically withstood the Japanese onrush which swept in like a tidal wave from the Far East. Thanks to the wise and courageous leadership that you have given her, your country has brought her war effort to the highest pitch, and made a tremendous contribution to the United Nations.

Canada has been in the West the link joining the Old World and the New. Your country has played an identical role in Southern Seas, where you have created friendly relations with the great American people, while remaining united by sacred and unbreakable ties to the heart of the Empire.

It gives me great satisfaction to express to you the unbounded affection and admiration of Canadians for you personally and for all our Australian brothers, and to convey to you our warmest thanks for the encouragement that we have received from your presence among us and from your very comforting words.

(Text): God bless Australia and the Australians and their distinguished Prime Minister! God bless our soldiers, sailors and airmen! God give us a glorious, speedy and decisive victory, and a lasting peace to the world.

Hon. JAMES ALLISON GLEN (Speaker of the House of Commons): Mr. Prime Minister, it is with singular pleasure that we welcome and thank you for your presence with us.

We have had many notable and distinguished visitors during the last four years, and to-day we behold two of the Prime Ministers of the great dominions speaking from the floor of the House of Commons in Canada, our own Prime Minister, the Right Honourable W. L. Mackenzie King, and the Prime Minister of Australia, the Right Honourable John Curtin.

To add to the importance of this gathering, these very distinguished gentlemen have arrived in Canada fresh from a meeting of the Prime Ministers of the Commonwealth of British nations, in London, during which, it is no exaggeration to say, issues affecting the whole world and countless millions of people for countless years have been the subjects of deliberation. This is not the occasion to refer to those issues, but I think it is permissible to say that at no time in our history were the bases of our democracy, and in particular free and untrammelled speech, better exemplified than in the recent meeting. It is eminently proper that the central purpose—to win the war—did not preclude that equally momentous purpose—the vision of a new world order based upon the policies of co-operation and good neighbourliness.

Sir, all will agree you made a notable contribution to that meeting, and you are entitled to say that in the essentials, in the broad scheme of affairs, having regard to the geographical, political and social problems, there was agreement—a lesson for all the world to note.

We shall never forget those tragic days when your country was in serious and imminent danger of an invasion in force by the Japanese. Those days were fraught with great peril, and it must be a matter of justifiable pride to you to reflect that under your leadership Australia rose superior to the threat, withstood and ultimately safeguarded her shores from a cruel and remorseless foe. Now your country and the other United Nations are destroying that Japanese menace.

You, sir, are not a stranger to the floor of a House of Commons and, while the report has it that the vocabulary of your Assembly is vivid as its southern sun, I think this gathering to-day of both our Houses demonstrates that the coldness of our northern words serves but to conceal the warmth of our welcome to you.

I am glad to say that four of our colleagues of this House will soon have an opportunity to convey to your Assembly in sincere and adequate terms our friendliest regards and greetings to Australia, reciprocating those which some of your colleagues brought to us here last year.

Sir, Canada thanks you for your fine speech and your presence among us. We wish you a safe return to your native land, and we hope that the time is not far distant when we shall meet again in the happier days when this war shall cease. Towards that end your country has made an enormous contribution, and when you speak to your own people tell them that all Canada fervently declares: Well done, Australia!

The proceedings were concluded by the singing of God Save the King.

THE SENATE

Tuesday, June 20, 1944.

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

Prayers and routine proceedings.

PRIVATE BILL

HOUSE OF COMMONS AMENDMENT

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons with Bill I3, an Act to incorporate the Executive Board of the Canada Conference of the Evangelical Lutheran Augustana Synod of North America, with one amendment, to which they desire the concurrence of the Senate. When shall this amendment be taken into consideration?

Hon. Mr. KING: Next sitting.

DEPARTMENT OF VETERANS AFFAIRS BILL

FIRST READING

A message was received from the House of Commons with Bill 83, an Act to establish a Department of Veterans Affairs.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting.

NAVAL SERVICE BILL, 1944

FIRST READING

A message was received from the House of Commons with Bill 112, an Act respecting the Naval Service of Canada.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting.

WAR APPROPRIATION BILL No. 2

FIRST READING

A message was received from the House of Commons with Bill 132, an Act for granting to His Majesty aid for National Defence and Security.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting.

WAR SERVICE ELECTORS AND PRISONERS OF WAR VOTING BILL

FIRST READING

A message was received from the House of Commons with Bill 135, an Act to provide regulations enabling Canadian war service electors to exercise their franchise, and Canadian prisoners of war to vote by proxy, at any general election held during the present war, also to provide amendments to the Dominion Elections Act, 1938, consequential to such regulations, or made necessary by the advent of the said war.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting.

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

FIRST READING

A message was received from the House of Commons with Bill 136, 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 1944, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting.

SURPLUS CROWN ASSETS BILL

FIRST READING

A message was received from the House of Commons with Bill 137, an Act respecting Surplus Crown Assets.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting.

WAR APPROPRIATION (UNITED NATIONS MUTUAL AID) BILL, 1944

FIRST READING

A message was received from the House of Commons with Bill 138, an Act to amend the War Appropriation (United Nations Mutual Aid) Act, 1943, and for granting to His Majesty aid for the purposes of the said Act.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting.

CANADA-UNITED STATES TAX CONVENTION

On the orders of the day:

Mr. KING: Honourable senators, I beg leave to lay on the table copy of the convention between Canada and the United States of America for the avoidance of double taxation, signed at Ottawa, June 8, 1944, English and French versions.

I may say that a Bill confirming this agreement will come to the Senate in the course of a few days.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. COPP, on behalf of the Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill W4, an Act for the relief of James Russell Popham.

Bill X4, an Act for the relief of Norma Segal Katz.

Bill Y4, an Act for the relief of Harold Almond Jelley.

Bill Z4, an Act for the relief of Josephine Kurys Kulczycki.

Bill A5, an Act for the relief of Shirley Harte Harvey Payne.

Bill B5, an Act for the relief of Pearl Anneta Benn Russell.

Bill C5, an Act for the relief of Joseph Adélard Paul Bégin.

The Hon. the SPEAKER: Honourable senators, when shall these Bills be read the second time?

Hon. Mr. KING: Next sitting.

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

THE SENATE

Wednesday, June 21, 1944.

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

Prayers and routine proceedings.

WAR APPROPRIATION BILL No. 2

MOTION FOR SECOND READING—DEBATE ADJOURNED

Hon. J. H. KING moved the second reading of Bill 132, an Act for granting to His Majesty aid for national defence and security.

Hon. Mr. KING.

He said: Honourable senators, Bill 132 is an Act to provide the money necessary to sustain the armed forces and other war activities of the various departments of Government. It will be remembered that in March we voted an interim supply bill of $850,000,000, which was related to this main Bill. The resolution preceding the present Bill was presented to Parliament on February 11. No doubt this is the most important measure that Parliament will have to deal with this year, and it was only to be expected that there would be long and protracted debate in the other Chamber. The Bill itself was introduced only on the 6th of June. In order to serve the convenience of honourable members, as well as to have the figures on our own record, I ask permission to place the Minister's summarized statement on expenditure on Hansard.

In presenting the resolution, on February 11, the Minister of Finance submitted to the other House a summary of estimated expenditures by the various departments during the current fiscal year. As I think it would be a convenience to honourable members if these figures were included in our own Hansard, I ask permission of the House to have this done.

(Tables appear on following pages).

This session we have followed the practice, as adopted in 1942-1943, of referring bills dealing with war expenditures to the Special Committee on War Finance. That committee has held a number of meetings at which ministers and their assistants or other qualified departmental officers have been available for interrogation by honourable members. I am satisfied that honourable members who found it convenient to attend these meetings have secured valuable information, not only as to the expenditures under this Bill, but in relation to the activities of the various departments. The Minister of Finance was represented before the committee by his Parliamentary Assistant, the Deputy Minister and other officers from his Department. The Minister of National Defence was represented by his Parliamentary Assistant and departmental officers. The Minister for Naval Services and the Minister for Air attended in person, as did the Minister of Munitions and Supply the Minister of Labour and the Minister of National War Services. The Departments of Agriculture and of External Affairs and the National Research Council were represented by Deputy Ministers or qualified departmental heads.

As honourable members will see from the statement that I am placing on Hansard, the estimated expenditure by the Department of National Defence in the current fiscal year

will be $3,057,000,000, as against $3,405,000,000 last year. The reduction does not in any way indicate a let-up in our effort to increase the strength and efficiency of the fighting services. The expenditure was larger last year because of the necessity to provide training facilities for members of the services, to erect buildings, construct air fields and so on.

The estimated expenditure by the Department of Munitions and Supply this year is $183,000,000. Last year this Department, which acts as the agent for procuring supplies for the defence services and for Allied governments, spent a total of $166,300,000.

To other departments of Government which, strictly considered, are not war departments, the sum of $375,000,000 has been allocated for this year, as against $249,000,000 last year. The increase is made up largely of additional administration expenses and subsidies to be paid to the Commodity Prices Stabilization Corporation, as well as subsidies to be paid to food producers by the Department of Agriculture.

I think no useful purpose would be served by my attempting to give a recapitulation of the statements made by ministers in the other Chamber. We know that to-day the three defence services are manned by some 700,000 to 800,000 men and women. All these services have demonstrated in actual combat their superb training and dauntless courage.

WAR APPROPRIATION, 1944-45

Summary of estimated expenditures by departments for the fiscal year 1944-45 as compared with the estimates originally submitted for 1943-44

	1944-45		1943-44	
NATIONAL DEFENCE	$	$	$	$
Army Services	1,535,000,000		1,764,000,000	
Naval Services	410,000,000		489,144,967	
Air Services	1,090,000,000		1,129,421,414	
Sundry Services	22,315,827		22,500,000	
		3,057,315,827		3,405,066,381
MUNITIONS AND SUPPLY—				
Administration	9,000,000		9,300,000	
Expansion of Industry and Production of War Supplies	174,000,000		157,000,000	
		183,000,000		166,300,000
		3,240,315,827		3,571,366,381
OTHER DEPARTMENTS—				
Agriculture	73,666,070		14,240,309	
Auditor General's Office	290,600		281,500	
Civil Service Commission	576,500		597,443	
External Affairs	337,425		545,000	
Finance	191,581,325		143,852,000	
Fisheries	690,000		578,000	
Justice	245,712		50,700	
Labour	24,000,654		21,558,192	
Mines and Resources	6,831,826		10,288,135	
National Harbours Board	179,500		53,750	
National Research Council	3,945,507		2,114,708	
National Revenue	.....		4,000	
National War Services	16,494,804		11,651,878	
Pensions and National Health	20,467,980		15,622,130	
Post Office	385,360		183,020	
Privy Council Office	1,077,055		727,858	
Public Works	6,168,000		4,490,000	
Royal Canadian Mounted Police	6,557,871		6,091,320	
Secretary of State	11,000		44,950	
Soldier Settlement	15,000		13,000	
Trade and Commerce	9,799,485		7,296,555	
Transport	12,090,675		8,435,215	
		375,412,349		248,719,663
Provision for Contingencies	.....	3,732,364		4,887,292
Total Estimated War Expenditure	.....	3,619,460,540		3,824,973,336
Active Assets	.....	30,539,460		65,026,664
Grand Total chargeable to the War Appropriation	.....	3,650,000,000		3,890,000,000

WAR APPROPRIATION, 1944-45—*Con.*

Details of estimated expenditures by departments and services for the fiscal year 1944-45 as compared with the estimates originally submitted for 1943-44

DEPARTMENT OF NATIONAL DEFENCE	1944-45		1943-44	
	$	$	$	$
ARMY SERVICES—				
1. Civil Salaries and Wages	16,199,853		8,832,687	
2. Pay and Allowances	547,256,061		539,730,211	
3. Travel, Transportation and Freight	92,957,866		74,190,760	
4. Construction, Purchase, Repairs and Operating Expenses of Properties—				
(a) Capital Expenditure	28,987,000		62,780,482	
(b) Repairs, Operating Expenses and Rentals	51,059,856		46,620,690	
5. Personnel Supplies and Services: Food, Medical and Dental Stores, Clothing and Personal Equipment	159,566,238		185,868,300	
6. Signal and Wireless Equipment, Line Construction, etc	23,599,633		27,826,751	
7. Ammunition and Bombs	182,194,664		273,325,890	
8. Armament, including Rifles, Machine Guns, Mortars and Guns of all Descriptions	104,819,202		123,070,907	
9. M.T. Vehicles: Trucks, Tractors, Trailers, Tanks, A.F.Vs., and Repair Parts	274,068,547		371,853,674	
10. Operating Cost of Mechanical Transport: Fuel, Maintenance, etc. (not including Repair Parts)	30,044,487		35,187,833	
11. Sundries, including Printing, Stationery, Telephones, Telegrams and Other Costs not included in Above Items	24,246,593		14,711,815	
		1,535,000,000		1,764,000,000
NAVAL SERVICES—				
1. Civil Salaries and Wages	6,511,987		6,192,054	
2. Pay and Allowances	114,698,835		89,565,119	
3. Travel, Transportation and Freight	9,794,479		6,978,000	
4. Construction, Purchase, Repairs and Operating Expenses of Properties—				
(a) Capital Expenditure	17,990,462		36,579,608	
(b) Repairs, Operating Expenses and Rentals	6,715,891		6,267,182	
5. Personnel Supplies and Services: Food, Medical and Dental Stores, Clothing and Personal Equipment	27,846,280		22,015,072	
6. Signal and Wireless Equipment, Line Construction, etc	19,759,334		4,592,188	
7. Ammunition and Bombs	23,835,200		14,245,890	
8. Armament, including Rifles, Machine Guns, Naval Guns, etc	26,458,650		42,415,548	
9. Fuel Cost of Ships	27,806,604		25,257,798	
10. Acquisition, Construction, Charter, Repair and Upkeep of Ships	82,282,000		167,571,202	
11. Naval Stores: Small Boats, Minesweeping, Degaussing, Anti-Submarine, Fire-Fighting and Training Equipment, etc	34,678,967		57,651,110	
12. Miscellaneous Stores and Services: Printing, Stationery, Laundry, Office Machinery, Teletype Rental, etc	8,873,210		6,552,959	
13. Sundries: Postage, Pilotage, Prize Funds and Other Costs not included in Above Items	2,748,101		3,261,237	
		410,000,000		489,144,967

WAR APPROPRIATION, 1944-45—*Con.*

Details of estimated expenditures by departments and services for the fiscal year 1944-45 as compared with the estimates originally submitted for 1943-44—*Con.*

	1944-45		1943-44	
AIR SERVICES	$	$	$	$
1. Civil Salaries and Wages	22,478,709		18,620,637	
2. Pay and Allowances	323,315,774		238,023,232	
3. Travel, Transportation and Freight	27,345,330		20,838,068	
4. Construction, Purchase, Repairs and Operating Expenses of Properties—				
(a) Capital Expenditure	39,750,000		93,421,100	
(b) Repairs, Operating Expenses and Rentals	17,689,838		13,482,925	
5. Personnel, Supplies and Services: Food, Medical and Dental Stores, Clothing and Personal Equipment	38,515,252		50,451,918	
6. Signal and Wireless Equipment, Line Construction, etc	34,654,365		26,838,773	
7. Ammunition and Bombs	18,175,000		23,990,000	
8. M.T. Vehicles and Marine Craft: Capital Cost and Repairs	7,026,713		10,508,405	
9. Fuel Costs for Aircraft, M.T. and Marine Craft	19,892,038		29,368,636	
10. Aircraft Engines and Spares, including Overhaul	188,947,545		231,846,296	
11. Miscellaneous Stores and Equipment, including Machine Guns and Other Armament	15,992,000		26,623,160	
12. Flying Training Contracts	29,345,667		33,805,829	
13. Maintenance of Overseas Squadrons	345,664,964		303,783,729	
14. Sundries, including Printing, Stationery, Telephones, Telegrams, Teletype Rentals and Other Costs not included in Above Items	8,981,443		7,818,706	
	1,137,774,638		1,129,421,414	
Less Estimated Recoverable Items	47,774,638			
		1,090,000,000		1,129,421,414
SUNDRY SERVICES—				
Departmental Administration	1,774,000		1,526,405	
Experimental Station, Suffield	1,916,810			
Internment Operations	3,730,717		8,430,895	
Dependents' Allowance Board	805,300		657,700	
Dependents' Supplementary Grants Fund	3,500,000		1,285,000	
Inspection Board of the United Kingdom and Canada	10,589,000		10,600,000	
		22,315,827		22,500,000
		3,057,315,827		3,405,066,381
DEPARTMENT OF MUNITIONS AND SUPPLY				
Departmental Administration	9,000,000		9,300,000	
Expansion of Industry and Production of War Supplies	174,000,000		157,000,000	
		183,000,000		166,300,000
		3,240,315,827		3,571,366,381

WAR APPROPRIATION, 1944-45—*Con.*

Details of estimated expenditures by departments and services for the fiscal year 1944-45 as compared with the estimates originally submitted for 1943-44—*Con.*

OTHER DEPARTMENTS	1944-45		1943-44	
AGRICULTURE—	$	$	$	$
Agricultural Supplies Board—				
Administration	51,300		43,500	
Programmes to encourage the production of essential war supplies	93,560		177,500	
Assistance in disposal of agricultural products rendered surplus by the war	550,000		1,080,000	
Feeds Administrator—				
Administration	47,125		45,000	
Freight Assistance on Western Feed Grains	16,500,000		8,000,000	
Subsidy on Western wheat used exclusively as feed for livestock	8,000,000		2,000,000	
Flax Fibre Administrator—				
Administration	32,300		30,500	
Fertilizers and Pesticides Administrator—				
Administration	31,850		31,600	
Subventions and Freight Allowances	.....		1,000,000	
Seeds Administrator—				
Administration	19,100		16,500	
Seed Programme	500,000		180,000	
		25,825,235		12,604,600
Meat Board—				
Administration		71,300		71,300
Dairy Products Board—				
Administration	21,690		14,950	
Purchase and Storage of Creamery Butter	.....		1,500,000	
		21,690		1,514,950
Special Products Board—				
Administration	50,190		49,459	
Seed Export Office	29,480			
		79,670		49,459
Agricultural Food Board—				
Administration	68,175			
Subsidies to Producers of Food Products	47,600,000			
		47,668,175		
		73,666,070		14,240,309
AUDITOR GENERAL'S OFFICE—				
Audit of War Expenditure	.....	290,600		281,500
CIVIL SERVICE COMMISSION—				
Supply of Personnel for War Services	.....	576,500		597,443
EXTERNAL AFFAIRS—				
Departmental Administration and Passport Office	.....	142,425		270,500
Representation Abroad	.....	87,000		111,500
Sundry Services	.....	108,000		163,000
		337,425		545,000
FINANCE—				
Comptroller of the Treasury		9,105,355		7,950,000
Wartime Prices and Trade Board—				
Administration	15,600,000		14,300,000	
Commodity Prices Stabilization Corporation	140,000,000		120,000,000	
Wartime Salvage Limited, Administration and Losses	500,000		1,000,000	
Canadian Wool Board, Administration	500,000		500,000	
		156,600,000		135,800,000
Old Age Pensions and Pensions to the Blind	.....	6,942,250		
Payments to Millers and Other Manufacturers of Wheat Products	.....	15,000,000		
Housing Conversion Programme	.....	3,755,000		
Sundries	.....	178,720		102,000
		191,581,325		143,852,000

WAR APPROPRIATION, 1944-45—*Con.*

Details of estimated expenditures by departments and services for the fiscal year 1944-45 as compared with the estimates originally submitted for 1943-44—*Con.*

	1944-45		1933-44	
	$	$	$	$
FISHERIES—				
Assistance in the construction of vessels of the Packer-Seiner type		250,000		250,000
Assistance in the construction of vessels of the Dragger type and the conversion of fishing schooners to Draggers		250,000		250,000
Sundry Services		190,000		78,000
		690,000		578,000
JUSTICE—				
Administration of the Defence of Canada Regulations		30,000		35,000
Expenses in connection with Prize Courts		10,000		10,000
Penitentiaries Branch—Purchase of materials in connection with manufactures for War Departments (Recoverable)		200,000		
Sundry Services		5,712		5,700
		245,712		50,700
LABOUR—				
War Emergency Training Programme—Administration	40,460		48,000	
Payments to the Provinces re training for skilled and semi-skilled occupations connected with war work	4,000,000		5,200,000	
Payments to the Provinces re training for Aircraft Manufacturing and Ground Mechanics	1,800,000		1,950,000	
		5,840,460		7,198,000
Vocational training of discharged Members of Canada's Armed Forces		780,000		525,000
Assistance in meeting extra costs of Universities in accelerating certain courses and to provide loans to certain students		300,000		440,000
National War Labour Board		522,960		468,445
General labour transference in War Industries and Agriculture		500,000		500,000
National Selective Service Programme		11,002,429		8,680,225
Removal of Enemy Aliens from protected areas		2,750,000		3,000,000
Payments to the Provinces in connection with organizing and operating day nurseries and like facilities		250,000		120,000
Assistance to the Provinces in recruiting, transporting and placing labourers on farms		800,000		250,000
Wartime Bureau of Technical Personnel		200,000		220,500
Stabilization of Longshore Labour—Halifax		450,000		
Wartime Labour Relations Board		175,000		
Transfer of ex-coal mine workers back to the industry		250,000		
Sundry Services		179,805		156,022
		24,000,654		21,558,192
MINES AND RESOURCES—				
Mines and Geology Branch—				
Development of Tar-sands of Alberta			150,000	
Remodelling and expansion of Plant of Abasand Oils, Limited	500,000			
Investigations of petroliferous deposits and of potential petroliferous areas in Canada	145,000		500,000	
Special exploration and development work in connection with the supply of strategic minerals	60,000		500,000	
Assistance to Provincial Governments in construction of transportation facilities into strategic mineral, including oil, properties	75,000		200,000	

WAR APPROPRIATION, 1944-45—*Con.*

Details of estimated expenditures by departments and services for the fiscal year 1944-45 as compared with the estimates originally submitted for 1943-44—*Con.*

	1944-45		1943-44	
MINES AND RESOURCES—*Con.*	$	$	$	$
Mines and Geology Branch—*Con.*				
Bureau of Mines—				
Construction of new Metallurgical Laboratory	.....		115,000	
Metallic Minerals Division—				
Services to War Departments	330,000		210,000	
Sundry Services	41,500		80,500	
		1,151,500		1,755,500
Lands, Parks and Forests Branch—				
Bureau of Northwest Territories and Yukon Affairs—				
Expenses of Liaison Officers in connection with the Alaska Highway and Canol projects	10,000		10,000	
Dominion Forest Service—				
Internment and Prisoners of War Operations	52,800		42,445	
Forest Products Laboratories	56,400		34,435	
Alternative Service Work Camps	127,000		79,000	
National Parks Bureau—				
Alternative Service Work Camps	250,000		500,000	
		496,200		665,880
Surveys and Engineering Branch—				
Alternative Service Work Camps	.....		140,600	
Prince Rupert-Terrace-Cedarvale Highway	3,000,000		5,000,000	
Employment of persons of the Japanese Race and /or Japanese Nationals	1,000,000		2,200,000	
Post-War Construction Programme—				
Planning	420,000			
Sundry Services	67,490		22,735	
		4,487,490		7,363,335
Immigration Branch—				
For expenditures in connection with looking after Canadian interests Abroad	475,000		275,000	
To provide single minimum cost of transportation of wives and dependents of members of the Canadian Forces Overseas	100,000		100,000	
Assistance to the National Advisory Committee for Children from Overseas	75,000		75,000	
Sundry Services	46,636		53,420	
		696,636		503,420
		6,831,826		10,288,135
NATIONAL HARBOURS BOARD—				
Halifax Harbour—Operation and Maintenance of fire boats and other fire protection		178,800		53,750
Sundry Services		700		
		179,500		53,750
NATIONAL RESEARCH COUNCIL—				
Special War Activities		3,945,507		2,114,708
NATIONAL REVENUE—				
Censorship of Newspapers, etc	.....			4,000
NATIONAL WAR SERVICES—				
Departmental Administration		90,907		91 335
War Charities Division—				
Administration	59,395		46,000	
Auxiliary Services	12,000,000		7,000,000	
		12,059,395		7,046,000
Salvage Division		310,750		396,965
Corps of (Civilian) Canadian Fire-Fighters for United Kingdom		744,905		957,850
Committee on Co-operation in Canadian Citizenship		46,367		

WAR APPROPRIATION, 1944-45—*Con.*

Details of estimated expenditures by departments and services for the fiscal year 1944-45 as compared with the estimates originally submitted for 1943-44—*Con.*

	1944-45		1943-44	
NATIONAL WAR SERVICES—Con.	$	$	$	$
Censorship—				
Administration	18,345		19,000	
Information and Records Branch	171,900		174,900	
Postal Censorship	1,515,260		1,070,800	
Censorship of Publications	135,355		127,400	
Telegraph and Cable, etc., Censorship	337,040		346,970	
		2,177,900		1,739,070
Canadian Broadcasting Corporation—				
Short Wave Station		150,000		640,000
National Film Board—				
Revolving Fund for Purchase of Supplies	.....		100,000	
Special War Film Library	40,000		40,000	
Acquisition of Film Prints for Sale	30,000		30,000	
Wartime Information Film Programme	660,000		550,000	
Still Photograph Production and Distribution	115,500		.....	
		845,500		720,000
Sundry Services		69,080		60,658
		16,494,804		11,651,878
PENSIONS AND NATIONAL HEALTH—				
Pensions Branch—				
Treatment and Pension Examinations—Members and Ex-Members of the Armed Forces (Present War)	9,000,000		4,225,000	
Treatment—Royal Canadian Mounted Police	110,000		110,000	
Pensions—Armed Forces, Fishermen, Seamen, Special Constables—R.C.M.P., Civil Servants, Auxiliary Services and Civil Defence Workers	8,500,000		3,500,000	
Detention Allowances on behalf of Canadian Seamen	100,000		100,000	
Rehabilitation Benefits	500,000		400,000	
Sundry Services	94,000		95,000	
		18,304,000		8,430,000
Health Branch—				
Civil Defence	1,038,500		6,589,650	
Industrial Hygiene, including Inspection of Industrial Plants	31,000		24,000	
Laboratory Analyses and Services for the Department of National Defence	27,000		37,000	
Public Health Engineering—Inspection of Camp Sites and Airports for the Department of National Defence in connection with Sanitation and Water Supply	34,000		33,000	
Quarantine Medical Service—At the Ports of Halifax, Quebec, Sydney, Montreal and Other Ports	80,000		98,480	
Processing, Storage and Distribution of Blood for Transfusion	565,000		120,000	
Maintenance, medical and other care of incapacitated non-resident seamen pending deportation	50,000		40,000	
Grant to the Canadian Nurses Association to increase the supply of qualified nurses in Canada	250,000		250,000	
Contribution toward Health Services at Halifax	45,000		.....	
Sundry Services	43,480		.....	
		2,163,980		7,192,130
		20,467,980		15,622,130
POST OFFICE—				
Canadian Postal Corps		385,360		183,020
PRIVY COUNCIL OFFICE—				
Statutory Orders and Regulations Division		40,665		22,608
Wartime Information Board		995,707		658,000
Advisory Committee on Reconstruction		25,435		47,250
Sundry Services		15,248		.....
		1,077,055		727,858

WAR APPROPRIATION, 1944-1945—*Con.*

Details of estimated expenditures by departments and services for the fiscal year 1944-45 as compared with the estimates originally submitted for 1943-44—*Con.*

	1944-45		1943-44	
PUBLIC WORKS—	$	$	$	$
Chief Architect's Branch—				
Repairs, Alterations, Operation and Maintenance of Buildings occupied for War Purposes	2,300,000		1,530,000	
Rental of Premises occupied for War Purposes	1,900,000		1,500,000	
Furniture, etc., for War Employees	500,000		700,000	
Ottawa—Addition to Temporary Building No. 8, Carling Avenue	300,000		.....	
Post-War Construction Programme—Preparation of plans, specifications, etc	95,000		.....	
Sundry Services	.....		15,000	
		5,095,000		3,745,000
Chief Engineer's Branch—				
Esquimalt, B.C.—Additional Operating Cost	.....		20,000	
Saint John Harbour (Courtenay Bay)—Dredging	100,000		100,000	
North Sydney, N.S.—Reconstruction of Wharf and Terminal Facilities	300,000		.....	
Post-War Construction Programme—Surveys, Preparation of Plans and Specifications, etc	146,000		.....	
Seymour Narrows, B.C. — Removal Ripple Rocks	.....		200,000	
Sundry Services	2,000		.....	
		548,000		320,000
Telegraph Branch—				
To provide for 24-hour service on the Pacific Coast	85,000		75,000	
Ottawa—Telephone Service	390,000		300,000	
		475,000		375,000
Contingencies		50,000		50,000
		6,168,000		4,490,000
ROYAL CANADIAN MOUNTED POLICE—				
Increased Activities of the Force due to the War		6,557,871		6,091,320
SECRETARY OF STATE—				
Department Generally		8,000		39,950
Commission re Revocation of Naturalization Certificates		3,000		5,000
		11,000		44,950
SOLDIER SETTLEMENT—				
Alaska Highway—Legal and Survey Fees, etc		15,000		13,000
TRADE AND COMMERCE—				
Export Permit Branch—Administration		153,805		144,160
Canadian Shipping Board—				
Administration	98,300		92,435	
Revolving Chartering Fund	500,000		500,000	
		598,300		592,435
Shipping Priorities Committee—Administration		47,380		59,960
Gift of Wheat to Greece		8,500,000		6,000,000
Steamship Subsidies War Stabilization Fund		500,000		500,000
		9,799,485		7,296,555
TRANSPORT—				
Departmental Administration		36,000		26,960
Transport Controller's Office		392,000		211,000
Director of Merchant Seamen—				
Headquarters Administration	72,480		73,190	
Manning Pools and Training Schools in Canada	1,111,620		898,980	
London Office and Proposed Manning Pool in Liverpool	91,140		.....	
Assistance to Seamen's Welfare Institutions and School of Navigation at Vancouver	25,000		26,500	
		1,300,240		998,670

WAR APPROPRIATION, 1944-1945—*Con.*

Details of estimated expenditures by departments and services for the fiscal year 1944-45 as compared with the estimates originally submitted for 1943-44—*Con.*

	1944-45		1943-44	
TRANSPORT—Con.	$	$	$	$
Joint U.S.A. and Canada Defence—Purchase, leasing or otherwise acquiring properties		110,000		
Air Service—				
Special Radio Services, Weather Observation and Teletype Services—				
Radio Service	2,666,045		1,761,325	
Meteorological Service	1,670,480		1,366,000	
Civil Aviation Services—				
Airway and Airport Traffic Control	736,450		680,000	
Operation and Maintenance of Municipal (Terminal) Airports	398,260		336,600	
Moncton to Newfoundland Airline	130,500		976,700	
Improvements to Airports	500,000		500,000	
Canadian Government Trans-Atlantic Air Service	400,000		.....	
		6,501,735		5,620,625
Canals Service—				
Canals Generally	.....		15,000	
Welland Canal	.....		32,000	
		.....		47,000
Marine Service—				
Marine Service Steamers, including Icebreakers	405,000		275,000	
Aids to Navigation	50,000		50,000	
Nautical Services	86,200		63,460	
Compensation to Masters and Crews of Canadian Vessels for loss of Personal Effects	100,000		100,000	
		641,200		488,460
Railway and Steamship Service—				
Cost of fitting Canadian Ships, as well as foreign flag vessels either seized in prize or requisitioned by the Canadian Government, with special defensive apparatus	395,000		300,000	
Design, construction and operation of additional harbour and transportation facilities to the Port of Halifax, N.S.	275,000		281,000	
Assistance to the Canadian National Railway Company in the development of the iron ore deposit owned by the Steep Rock Mines, Limited, near Atikokan, Ontario	2,360,000		400,000	
		3,030,000		981,000
Government Employees Compensation Act—				
Administration		79,500		61,500
		12,090,675		8,435,215
PROVISION FOR CONTINGENCIES		3,732,364		4,887,292
Total Estimated War Expenditure		3,619,460,540		3,824,973,336
ACTIVE ASSETS—				
Purchase of Railway Equipment—				
Canadian National Railways—				
1941 Orders	.....		4,883,664	
1942 Orders	8,226,460		24,543,000	
1943 Orders	16,500,000		.....	
		24,726,460		29,426,664
Loan to the Canadian National Railways for the development of the Vermilion, Alberta, Oil Field		313,000		600,000
Advance re purchase by Russia of Canadian Wheat and Flour		.....		4,000,000
Canadian Wool Board Limited		5,500,000		19,500,000
Wartime Salvage Limited		.....		6,500,000
Commodity Prices Stabilization Corporation		.....		5,000,000
		30,539,460		65,026,664
Grand Total chargeable to the War Appropriation		3,650,000,000		3,890,000,000

Hon. Mr. BLACK: I am sorry to interrupt the honourable leader, but I do not think Bill 132 is on our files.

Hon. Mr. KING: It should be; it has been in print for weeks.

Some honourable SENATORS: It is not on our files.

Hon. Mr. KING: I will see that it is distributed. If honourable senators prefer to wait, there is no reason why we should not adjourn until copies of the Bill are available.

Hon. Mr. BLACK: I should like to have the Bill, in order to study it.

Hon. Mr. KING: Undoubtedly. I have only a few further remarks to make.

Some honourable SENATORS: Go ahead.

Hon. Mr. KING: During the past year our army, after long and arduous training in Canada and Great Britain, has been in action in Italy and Sicily; and within the last few days it has, in conjunction with British and American troops, been one of the spearheads in the invasion of France. We are all justly proud of the wonderful achievement of our soldiers.

The Royal Canadian Air Force is a development of the Commonwealth Air Training Plan. This plan has become the backbone of the combined air power of the Empire. Its young men are found on every front. And what a magnificent performance they are giving!

The development of our Naval Service is also an achievement that we all are proud of. It has received commendation, not only in our own country, but also in the great republic to the south, and as well in Russia, China and other Allied countries. I think the Department is to be congratulated on having realized that though at the outbreak of war we could neither build nor acquire cruisers or battleships, we could build smaller types of ships, such as the minesweeper, the corvette, the Fairchild, the frigate, and later, the destroyer. We did so, and these smaller ships have been among our most effective weapons against the submarine, which, as honourable members are aware, was at one time the gravest threat to our war effort. They have been engaged in patrol duty and used in amphibious operations against Sicily; and a few days ago they played a conspicuous part on the coast of Normandy, where, as a compact naval force, they protected and facilitated the landings of our soldiers and their equipment. In that operation some ten thousand crew members and seamen were Canadians. I am sure that we in this Chamber, and the people throughout Canada generally, realize that those men have performed and are performing to-day a great service in the interest of the Allied Powers.

It is our hope that within a short while the efforts of the men in the three services, who so ably represent Canada in this war, combined with those of their various Allies, will bring the war to a successful conclusion, and that our men will be returned to their homes to enjoy the fruits of victory, for which they fought so ably.

I move the second reading of the Bill.

Hon. JOHN T. HAIG: Honourable members I do not intend to enter into a detailed criticism of the Government's handling of the different departments of the war, and I want to say at the outset that we on this side of the House, as always for the last four and a half or nearly five years, are prepared to support the war effort in every particular. We feel, as does the leader of the House, that our men in the Army, Navy and Air Force, already have given and will continue to give a good account of themselves. A great many honourable members of this House have their own boys over there, and they speak with personal feeling.

I do want, however, to call the attention of the Government and of the members of this House to one or two things this country is drifting into. Already the manpower question has been raised outside the House, and it will be raised more persistently as time goes on. There are three ways in which manpower in Canada can be dealt with. First, it can be dealt with by conscription—by sending men any place in the world where they are needed; second, men can be left to work on the farms and in the factories, or wherever they may be, and third, there can be a form of conscription that will not send them to the fighting fronts, but which will take them off the farms and out of the factories. The last is the policy of this country now, and to it I am violently opposed. If it is the opinion of the Government and the majority of the people in this country that men are not needed any more at the front, or that they can be got by voluntary enlistment or in any other way than by conscription, then the Conscription Act should be withdrawn, and seventy thousand men who are promenading up and down this country should be allowed to go back to their occupations. That is as plain writ across the skies as anything can be, and nobody can defend any other course. I am not saying that we should have conscription or that we should not have conscription; but for the life of me I cannot

see why we should have a hybrid sort of conscription which takes men away from their work and does not send them where they can be of use.

We are asking our farmers, our lumbermen, our fishermen and our miners to produce more, and yet we are taking from them some of their very best workers, and are putting them into these camps. Take my own province, for instance. I know of young men who have been sent to camp there. You may ask: "Why don't they go to the war?" That is not for me to decide. But if they do not go to the war—and apparently the Government do not think they are needed there, because they do not send them—why take them off the farms and leave behind such cases as one I know of and shall describe? A man of 52 and a woman of 49 are left with a boy of 16 on a section of land; their other boy, of 20 or 21, is up at Shilo camp forming twos or threes, or whatever they form. That is the situation.

Hon. Mr. KING : May I interrupt? Is not that happening everywhere? You have a manpower situation in all countries, whether they have conscription or not. It is happening in the United States—

Hon. Mr. HAIG: No.

Hon. Mr. KING: It has happened in Germany; it is happening in all countries.

Hon. Mr. HAIG: No, it does not happen in the United States. True, there is a shortage on the farm in that country, but the United States has declared, "We need that boy off the farm to go to Europe or Japan to fight." If the Government here says that, I have nothing further to add. But why should my boy or yours go, and another boy who is needed be left? If it is the opinion of the Government that these men are needed to go over and fight, I shall not have a word to say against conscription. But the Government does not say that. These men have been promenading up and down the country for the last two and a half years; they are lectured; their officers tell them they should join up and go overseas. That is not necessary. That is what I object to, and what this country objects to—and that was one of the issues in the Saskatchewan election. I live right alongside the province of Saskatchewan and know the conditions there. The issue is clear.

Hon. Mr. LAMBERT: May I ask the honourable senator a question?

Hon. Mr. HAIG: Certainly.

Hon. Mr. LAMBERT: Would the honourable gentleman favour disbanding the home army at the present time?

Hon. Mr. HAIG: I shall answer that clearly. The Government have all the facts, and apparently think they do not need these men overseas, because if they do they could send them there. If I had the facts and came to the same conclusion, I would let these men out of the camps and send them home. That is my answer. Give me the facts. If they show the men are needed overseas, I will be prepared to send them. If they are not needed, as would appear to be the case, I would send them home, to the factories, the farms and the warehouses.

Incidentally I may say that of this $3,650,000,000 something like $150,000,000 has gone towards the cost of keeping that crowd going. It is a sheer waste of money—worse than waste—for these young fellows are not doing anything. So much for manpower.

Hon. Mr. CAMPBELL: May I ask if the honourable senator knows how many men are engaged in guarding power plants in this country, and whether or not the provinces are willing to take over the policing of these plants?

Hon. Mr. HAIG: There are lots of experienced men in the Veterans Guard of Canada who are quite willing and anxious to guard these plants. The men I am talking about are at Gordon Head, British Columbia, at Shilo, Manitoba—

Hon. Mr. KING: And in Ontario.

Hon. Mr. HAIG: —and in Ontario, and probably in Quebec and the Maritime Provinces. I know only about the West. I am talking about men who are not guarding anything and who are eating their hearts out. You say: "Why don't they volunteer?" That is not my business. So far as the job you are thinking about is concerned, the Veterans Guard can do that, and do it very well too.

Now, the next problem we face is reconstruction after the war, and in that connection I divide manpower into three classes. First, there are the soldiers overseas, who when they return must be given first consideration in this country. They are the chaps who took the chances, and they must be assured one hundred per cent of employment when they come back. If they come back with disabilities we have to take care of those disabilities, and see that they are put into occupations where they can earn, including their disability pensions, as much as they would have earned had they not been disabled. After the last war men applied to the Canadian Pacific Railway and the Canadian National Railways, and were told: "No. You have a military disability of ten, twenty or twenty-five percent." The men said, "We will take a reduction of

that amount." But they were told. "We don't want you at all. You cannot stand up to the struggle of life in this way." That is what we have to protect our boys against. The second class is composed of those people who went into war industries from other occupations. We have to see that they are employed. After that the rest of us come in.

Now I come to another problem that we are facing, that of free enterprise and socialism, or whatever you care to call it. I am not going to discuss that issue, but I am going to discuss something which is leading up to it, namely, our present income tax. At the present time we tax corporations on their average income over the years 1936 to 1941.

Hon. Mr. BENCH: 1936 to 1939.

Hon. Mr. HAIG: Whatever the years may be —and we charge 40 per cent on all that is O.K. and we take 100 per cent of the balance, 20 per cent of which we hold to give back to the industry after the war. Then we say to industry: "We want you to be prepared to give these men jobs when the war is over." I do not think they can do that. I think the principle is wrong. It is my opinion that excess taxes on corporations have to be reduced, in order to release money so that industry may be prepared to change over to peacetime operations after the war. I may tell you quite candidly that, if I were a socialist or believed in socialism, I would keep the present income tax in force as far as corporations are concerned, for I know that so far as meeting the requirements after the war is concerned they would be hamstrung.

Let me digress for a moment. We talk about this grandiose scheme proposed by that distinguished educationist from a city east of here, Professor James. You will remember that we asked him a question in the Committee on Reconstruction, and his whole case was based on an income of eight billion dollars. Now, we can only have such an income by getting a large share of world trade.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. HAIG: And we can only get a large share of world trade by selling goods on world markets in competition with other countries. We have raw materials to sell, I agree, but they would not be enough. We found out they were not enough before the war, when our income fell below four billion. We can only have an income of eight billion dollars by using the most efficient machinery, as developed during the war, for manufacturing goods that will be saleable in competition with goods produced by the rest of the world. If we are to pay for the social security that is talked so much about, we must capture world markets for our manufactured goods and for our primary products as well. I shall deal with that later on.

As to income tax, I have already said what I think should be done with regard to the corporation income tax. I am persuaded that this will have to be reduced if the companies in this country are to be ready to furnish the required employment after the war and meet world competition. May I say one more thing about the income tax imposed upon corporations? Suppose a man of sixty-five years of age has with his savings bought a certain amount of International Nickel stock, in the hope of getting enough income from it to keep himself and his wife. According to the company's earnings he should receive from that stock, let us say, $1,200 a year, but the Dominion Government takes $600 of this from the company, so he gets only $600. Is that fair? Another man, with an equal amount of International Nickel stock, may have an income of $10,000 from other sources, yet the amount of the company's earnings deducted from his stock for federal income tax is the same as is deducted from the stock of the man who has nothing else to rely upon for income. Our principle of taxing corporations is absolutely unfair. That fact will be recognized in time. If I were a CCF'er and wanted to put the corporations out of business, I should advocate a continuance of this kind of taxation, for people will never put new money into business enterprises so long as this system of taxation is maintained.

Now I come to personal income taxes. The present exemption of $660 a year for a single person is not enough; it should be $1,000. The exemption of $1,200 for a married person is also too low; it should be $2,000. The remainder of the tax scale should stand as it is until the war is over. The people on whom the present income tax falls most severely are those earning $3,000 or under, and they are the very persons who ought not to be bearing such a heavy burden. A man who earned $10,000 before the war paid a tax of $650; on such an income now he pays slightly more than one-third to the Government, $3,400. On an income of $20,000 the pre-war tax was $2,800, and now it is $9,837. I do not object to taxing these larger incomes in this way while the war is on, but I say that we are taking too much from the people in the lower brackets. What is the result of the present taxation? Every day we meet men who refuse to work overtime, because they say that the Government would take most of their extra earnings in taxes. Man after man has told me that.

I repeat, honourable senators, that the income exemptions should be raised to at least

the limits I have suggested. Somebody may ask how much money the Government would lose if that were done. I do not know; I do not care. I am not altogether imbued with the idea that we should pay half the cost of this war as we go along. I am not sure that that is correct. What about the coming generation? If we are right in saying that we shall make a peace that will last for one hundred years—as we can do, if we make the right kind of peace—should the coming generations not pay something towards the achievement of that great goal? Why should half the total cost be borne by people who are living while the struggle is going on?

Hon. Mr. COPP: Who is to pay for the reconstruction after the war?

Hon. Mr. HAIG: According to what was said in another place by the Prime Minister, there will be plenty of money for that.

Hon. Mr. COPP: Where is it coming from?

Hon. Mr. HAIG: He did not say.

Hon. Mr. HORNER: Social Credit will print the money, it is said.

Hon. Mr. HAIG: There will be plenty of money for reconstruction, if we sell our goods on world markets, as we must do. But we can only compete successfully on world markets if we give business and industrial people a chance to get ready for conditions after the war. If we hold them down as we are doing at present, they cannot get ready.

I should like to say just a word about individual initiative and effort. I do not believe Canada will ever adopt socialism as a method of government. It may be that in an election this year, or next year, or five years from now, the majority of members elected to the House of Commons will be advocates of the theory of socialism. I do not know; nobody knows. But I do believe that people who have been used to free individual enterprise—many of whom have risen to the top of their professions or occupation from humble circumstances—will never consent finally to the establishment of socialism. However, we have one Socialist government in our Canada. That new government is in Saskatchewan—it is very emphatically there—and that province is a neighbour of Manitoba, from which I come. Now I want to say candidly to honourable members of this House that I do not believe the people of Saskatchewan voted for socialism. And upon listening to statements made by the Premier-elect after the election, I do not think that he voted for it either.

But, honourable senators, while we must not do anything to hamper or curtail individual initiative and enterprise, we must see that these are properly controlled; we must do all we can to prevent unfair practises in trade and the establishment of large cartels. It is our duty to see to it that the people of Canada as a whole, the ordinary people, are given a chance to earn a good living. As senators we have a great responsibility in this crisis. The people of Canada will look to us to help solve this country's great problems. We need to give serious thought to our manpower problem, to our taxation problem, and to the struggle between socialism and free enterprise. I am not a bit afraid of the socialists' statement that the Senate should not exist. I am persuaded that the Senate has a mission to perform in our country. Whatever political feelings we may have had before we came into this House, they should disappear here. We should try to put ourselves in the place of people who are starting life, people who have to earn their living by the sweat of their brow or by the use of their brain. We must endeavour to pass legislation that will extend the opportunities for our people to earn their livelihood. I earnestly hope that there will be such an extension of opportunities after the war. In the meantime I say to the honourable leader opposite (Hon. Mr. King) that if the war in Europe continues much longer and many more men are needed for reinforcements, I am persuaded that the Government's present manpower policy will have to be radically changed.

Hon. Mr. COPP: Honourable senators, my honourable friend from Westmorland (Hon. Mr. Black) expressed a desire to study this Bill before it was given second reading and sent to committee. As he is absent from the House at the moment, I would move adjournment of the debate.

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

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 136, 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 1944, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

He said: Honourable senators, this Bill authorizes the Government to provide moneys to meet capital expenditures and capital indebtedness incurred by the Canadian National

Railways System, and to guarantee certain securities of the railway company. There are required for this purpose $10,549,500.

In previous years and under similar Acts loans have been made for capital purposes and retirement of maturing obligations, as appears in the following table:

1932	$ 8,077,338 33
1933	8,228,101 10
1934	10,747,973 98
1935	7,293,065 84
1936	7,011,230 75
1937	11,035,032 61
1938	10,737,216 07
1939	12,442,552 40
1940	7,572,579 77
1941	11,943,000 29
1942	5,754,914 23

The requirements of the railway as set forth in this Bill have been approved by the Railway Committee of the House of Commons, and the Bill itself has been passed by that House.

This second table, which I should also like to place on Hansard, sets forth the requirements of the company.

Additions and betterments (less retirements)	$18,611,500
Additions of securities	1,921,000
Retirement of maturing capital obligations, including sinking fund and equipment principal payments	9,117,000
	$29,649,500

Towards this total of $29,649,500 there is available from reserves for depreciation and debt discount amortization $19,100,000, leaving a balance of $10,549,500, which is the amount now asked for.

When introducing this Bill in the other House the Minister of Finance pointed out that although $10,549,500 was asked for, the net debt of the company would be increased by only $1,432,500, since $9,117,000 would be used to retire outstanding obligations.

I would also place on Hansard for the information of honourable members a list of the loans outstanding from the Government to the railway company as of April 15, 1944:

Canadian National Railways Refunding Act, 1938	$ 94,841,705 71
Financing and Guarantee Act, 1940, purchase of G.T.R. 4 per cent perp. con. deb. stock	107,596,832 25
Financing and Guarantee Act, 1940—purchase of securities from Canadian holders	8,643,331 44
Financing and Guarantee Act, 1942—purchase of securities from Canadian holders	18,262,597 75
The War Appropriation (United Kingdom financing) Act, 1942—repatriation of securities	255,035,927 81
The War Appropriation Act, 1941—working capital advances	13,906,927 81
	$498,287,322 77

Hon. Mr. KING.

Hon. Mr. BLACK: May I ask the honourable leader opposite (Hon. Mr. King) whether the 498 million dollars represent money owed by the Canadian National Railway System to the Government?

Hon. Mr. KING: Owed to the Government for advances made.

Hon. R. B. HORNER: Honourable senators, I do not know whether I am in order, but I would urge that capital expenditure should be made immediately the war is over, if not before, on an addition to the Macdonald hotel in the city of Edmonton, on one of the finest hotel sites in Canada. Edmonton is short of good hotel accommodation and is asking for new hotels. The hotel might very well be enlarged to the extent of two hundred additional rooms. This would provide employment, and the extra accommodation would certainly return a revenue on the investment.

Hon. Mr. COPP: Do the Canadian National Railways run that hotel now?

Hon. Mr. HORNER: Certainly. The hotel already has adequate service rooms, and an additional two hundred rooms would entail comparatively little additional expenditure. The city needs more hotel accommodation, the railway needs it, and the expenditure would be well justified.

Hon. Mr. LEGER: Honourable senators, I think a much more important undertaking than that mentioned by my honourable friend from Saskatchewan North (Hon. Mr. Horner) would be the elimination right in the centre of the city of Moncton of five level crossings, all within a distance of a quarter of a mile. It is a double-track line, which is being used—and abused—for shunting purposes, to the grave danger of the citizens.

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

REFERRED TO COMMITTEE

Hon. Mr. KING: Honourable senators, probably it would be well to refer this Bill to the Standing Committee on Banking and Commerce, which committee will, I think, meet to-morrow morning. I so move.

Hon. Mr. HORNER: What about the Standing Committee on Railways, Telegraphs and Harbours?

Hon. Mr. KING: This is a financial bill.

The motion was agreed to.

WAR APPROPRIATION (UNITED NATIONS MUTUAL AID) BILL 1944

SECOND READING

Hon. J. H. KING moved the second reading of Bill 138, an Act to amend the War Appropriation (United Nations Mutual Aid) Act, 1943, and for granting to His Majesty aid for the purposes of the said Act.

He said: Honourable senators, I may say it is hoped that this and the other financial Bills which were given first reading last night may receive Royal Assent next Friday, and therefore I think it would be advisable to advance them a stage further this afternoon.

This Bill provides for a grant of $800,000,000. It is similar in character to one which came before us last year, for a grant of a billion dollars.

War finance has always been a grave problem for nations involved in war. Prior to the Great War of 1914-1918 victorious nations were usually able to recoup themselves by way of cash indemnities, acquisition of territory or other concessions from defeated nations. It will be remembered that Germany claimed the indemnities imposed upon her by the Treaty of Versailles were beyond her power to pay. I believe it is the general opinion to-day that had Germany made the effort that she required France to make in 1870 she could have carried out her treaty obligations.

An Hon. SENATOR: That is right.

Hon. Mr. KING: As we all know, Germany succeeded in having an international committee set up to review the question of her ability to pay. That committee recommended a reduction in the indemnities; and eventually Germany defaulted. We also know that Germany prevailed upon the United States and Great Britain to loan her large sums of money, ostensibly for the purposes of reconstruction in order that she might be in a position to meet her obligations to the Allied Nations.

France and Italy and other debtor countries found it impossible to continue payments on account of their war loans from the United States, and the largest creditor nation had to grant a postponement of such payments. This caused so much consternation among the American people that the Congress enacted legislation prohibiting the sale of arms and ammunition to nations at war except under special export permits. Subsequently this prohibition was modified by a policy of "cash on the barrel." That policy was in effect when Great Britain and France found themselves in 1939 and 1940 opposing the armed might of Germany.

Later on it became evident to the people of the great republic that if the French and British armies were to be sustained in their challenge of Hitler's plan for world domination it would be necessary to devise means to permit those nations to secure much needed war supplies. The President of the United States recommended, and Congress adopted, what is known as the lend-lease principle. Under the resulting legislation large amounts of war supplies have been made available to Great Britain, and we know from experience and practice that as between the governments of the two countries an operation has been going on which can be truly classed as lend-lease. Great Britain, when facilities are available and it is advantageous to do so, has been making advances to the United States. The United States have aided not only Great Britain in this matter, but since coming into the war have sent large quantities of supplies to Russia and also to China. I read the other day that some ten million tons, I think, of supplies, were shipped to Russia in American ships by the northern route, largely protected by British naval power.

In the first days of the war, we in Canada, both in Parliament and throughout the country generally, decided upon an all-out war effort. We have built up our armed forces. In addition to that, when Great Britain was embarrassed in the matter of currency in 1940-41, we advanced one billion dollars by way of loan, and made a free gift of one billion dollars. These sums were voted by Parliament, and I am quite satisfied that this action was approved by the people of Canada.

We have arrived at a point where our productive capacity in arms, equipment and food, is much beyond the requirements of our own forces and our own people. We have found that a very large surplus can be produced not only in our factories but in our fields. This being so, last year the Government decided to set up a committee of the cabinet which, in conjunction with similar committees in the United States and Great Britain, were to decide where this surplus of production might best serve the interests of the allied cause. Last year the sum of $100,000,000 was appropriated for this purpose, some $75,000,000 of which went to Great Britain, Russia, China and Australia.

The present Bill calls for $800,000,000. This is $200,000,000 less than was required last year. If honourable senators think for a moment, they will recall that at a previous meeting of the Senate we passed a Bill authorizing the

Government to advance $10,000,000 to UNRRA. That $10,000,000 came out of last year's appropriation for mutual aid, and it is provided that the moneys Canada has agreed to advance to that organization will come from this appropriation of $800,000,000. Under the Bill before us it is proposed to enlarge the committee, and an additional Minister will be appointed. I think it is important that the Minister of Trade and Commerce should be a member of the Committee.

It will be recalled that some weeks ago, we tabled agreements with the governments of Great Britain, Australia, Russia, China, and the French Committee of National Liberation. In those agreements the terms are clearly set out as the manner in which aid will be given to those countries under this Bill. I consider that those are the important matters in regard to the Bill, and I would commend it to the favourable consideration of the Chamber.

Hon. Mr. BLACK: Does the honourable senator intend to send this Bill to a committee?

Hon. Mr. KING: Yes. It is my purpose to send it to the Committee on War Finance.

Hon. NORMAN P. LAMBERT: Honourable senators, I should like to add a word or two to what has been said regarding Bill 138, because it relates to a subject which I think should be clarified as far as possible for the benefit of not only ourselves but the taxpayers of this country. For that reason I am glad the Bill is to be referred to committee, where further details can be obtained from the Minister who is in charge of this matter. Incidentally, most of us, I presume, have received a copy of the report of the Canadian Mutual Aid Board. I would recommend to honourable members a perusal of its details, particularly in relation to the mutual aid operations with Great Britain.

I should like to point out at once that to date $2,700,000,000 have been appropriated under the heading of lease-lend and mutual aid. The vote of $800,000,000 which we are now asked to support brings the total up to $3,500,000,000. In the amount thus appropriated, as has been pointed out by the leader, there is included $77,000,000 for the United Nations Relief and Rehabilitation Association, $10,000,000 of which was generally discussed and approved in this Chamber just before the recent adjournment.

The mutual aid operations which are provided for in this Bill apply to our relations with Great Britain, India, Australia, Russia, China, the French Committee of Liberation, and the West Indies. While these amounts voted for mutual aid represent a part which this country is proud to play in the prosecution of the war, in addition to direct participation through the Army, Navy and Air Force, it should be borne in mind that each year these amounts enter into our national debt and have to be paid for in taxation.

The term "mutual aid" may seem somewhat ambiguous to some, because our grants towards the cause are being made without expectation of repayment; but in reality there is a mutual interest in all the Allied countries with which we are dealing in this matter. The mutual aid does apply to a greater extent to Great Britain than to any of the other countries. As I have pointed out already in this connection, a most enlightening statement is set forth in this report. It shows that while Britain received munitions, foodstuffs and supplies to a value of some $724,000,000 up to March 31, 1944, during the same period she bought goods in Canada, and paid for them, to a value of over one billion dollars.

It is often pointed out in these days that the technique applied and followed by the Allied Nations in these mutual aid operations, to serve our common cause in this war, indicates that as soon as the war is over a similar form of procedure will be followed among the nations of the world in the cause of peace. We may well hope that this will prove to be true. The future is being formulated in many quarters just now in a rather facile manner by the statement that the vast production and economic activity induced in Canada by the war should be maintained in times of peace, and that if countries like this can give full employment in war-time they are bound to find ways and means to do the same thing in peace-time. Without attempting to analyze or discuss that proposition, either from the moral or economic point of view, we can say that if this country, as well as the United States, is to maintain and gradually reduce the great public debt which the war is creating, too much stress cannot be laid upon the principles which underlie the far-reaching international effect of existing mutual aid relations. They present to the world, it seems to me, the inescapable conclusion that if order is to be brought out of chaos, and production and employment are to be continued in countries like ours, an unrestricted exchange of goods and services must develop and prevail.

Two great factors in reaching this end will obviously be required: first, as was pointed out in our discussion on the subject of relief just before the adjournment, the physical availability of supplies of goods and materials through production; and second, the will on

the part of representative governments throughout the world to distribute such supplies as widely as possible. In the meantime, however, the common cause of the Allied Nations must be served. For that reason we have no alternative but to approve the provisions of this Bill. I trust that when it goes before the committee there will be a full investigation of mutual aid operations, so that we may realize for future use, possibly, rather than for the present, the element of mutual aid now involved in them.

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

REFERRED TO COMMITTEE

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: I would move that this Bill be now referred to the Standing Committee on Finance.

The motion was agreed to.

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill W4, an Act for the relief of James Russell Popham.

Bill X4, an Act for the relief of Norma Segal Katz.

Bill Y4, an Act for the relief of Harold Almond Jelley.

Bill Z4, an Act for the relief of Josephine Kurys Kulczycki.

Bill A5, an Act for the relief of Shirley Harte Harvey Payne.

Bill B5, an Act for the relief of Pearl Anneta Benn Russell.

Bill C5, an Act for the relief of Joseph Adélard Paul Bégin.

PRIVATE BILL

CONCURRENCE IN HOUSE OF COMMONS AMENDMENTS

The Senate proceeded to consideration of amendments made by the House of Commons to Bill R2, an Act to incorporate Fundy Air Lines.

Hon. A. B. COPP: Honourable senators, in the absence of its promoter (Hon. Mr. Foster), this Bill has been standing on the Order paper for some time. I have looked over the amendments made in the other House, and can assure honourable members that they do not in any way affect the principle of the Bill. In the circumstances, I would move that the amendments be concurred in.

Hon. Mr. LEGER: What are the amendments?

Hon. Mr. COPP: They are not before me at the moment, but I have looked into them and know that they are trivial. The Order can stand until to-morrow if the honourable gentleman desires to look into the amendments.

Hon. Mr. LEGER: No.

The motion was agreed to.

PRIVATE BILL

CONCURRENCE IN HOUSE OF COMMONS AMENDMENT

The Senate proceeded to consideration of the amendment made by the House of Commons to Bill I3, an Act to incorporate the Executive Board of The Canada Conference of The Evangelical Lutheran Augustana Synod of North America.

Hon. J. T. HAIG: Honourable senators, the amendment is to add the words "and shall hold office during the pleasure of the said The Canada Conference," at the end of the second sentence in section 4 of the Bill. This would make the sentence read as follows:

The first board of directors of the Corporation shall consist of the persons now in office as the executive board of the said The Canada Conference, and shall hold office during the pleasure of the said The Canada Conference.

The amendment is a necessary one, in order that the Conference may have control over the board of directors. I would move concurrence in the amendment.

The motion was agreed to.

CANADIAN HISTORY—UNIFORM TEXT-BOOK

DEBATE CONTINUED

The Senate resumed from Tuesday, May 30, the adjourned debate on the motion of Hon. Mr. David:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians, as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments in all schools under their direct or indirect jurisdiction or control.

Hon. TELESPHORE D. BOUCHARD: Honourable senators, I will beg leave of my honourable colleagues who are more conversant with English than French to speak a few minutes in my mother tongue before making my main remarks on the motion of the honourable senator from Sorel (Hon. Mr. David). If by chance my words are worth while and are not fully understood by some of them, they will lose but a few moments of their time, as I shall repeat my French remarks in English.

Monsieur l'Orateur,

Honorables sénateurs, une des principales lacunes que l'on a mentionnées dans les diverses histoires du Canada des provinces anglaises, serait le fait qu'on laisse ignorer que la langue française est officielle dans les deux Chambres de notre parlement fédéral.

Au cours de mes remarques sur la résolution de l'honorable Sénateur de la division de Sorel, je n'ai pas l'intention de m'arrêter sur la critique des manuels en usage dans les provinces anglaises. Je n'ai certes pas les informations voulues pour rendre un jugement valable sur ces manuels et je crois que, dans une matière épineuse comme celle-là, il vaut mieux laisser aux citoyens de chaque province le soin de signaler eux-mêmes les faiblesses de leur propre enseignement de l'histoire canadienne.

Si, au début de mes observations, je parle en français, c'est que, me levant pour la première fois dans cette honorable Chambre pour prononcer un discours, je désire d'abord rendre hommage à ma langue maternelle et signaler ensuite ce fait important de la légalité de la langue française dans un parlement d'allégeance britannique.

Qu'il me soit permis de dire que je ne conclus pas du fait que la langue française est officielle dans ce pays, qu'elle y serait obligatoire; je ne suis pas de ceux qui voudraient imposer chez nous, aux Canadiens d'origine anglaise, l'obligation de parler notre langue de manière à ce que sans s'imposer aucun effort d'étude, ils puissent compendre tout ce qui se dit dans nos parlements. La loi constitutionnelle, et c'est juste, ne va pas plus loin que de rendre les deux langues principales de ce pays facultatives dans nos parlements. Ceux qui désirent comprendre tout ce qui se dit ici, dans la Chambre des Communes et dans les Chambres de la province de Québec, restent dans la nécessité d'étudier les deux idiomes. J'admets, et par là je ne me rends qu'à l'évidence, que les Canadiens d'origine française ont beaucoup plus besoin d'apprendre une langue seconde pour leur développement économique que les Canadiens d'origine anglaise; l'anglais est parlé sur ce continent par tout près de 150 millions de population alors que nous sommes à peine 5 millions dont le français est la langue maternelle. A chacun de décider si c'est son intérêt d'apprendre les deux langues. Tout Canadien en viendra à cette conclusion s'il désire nécessairement comprendre les deux idiomes officiellement parlés dans nos deux Chambres fédérales; autrement il devra attendre la publication et la traduction du *Hansard* pour savoir ce qui s'y est dit.

Au cours de mes remarques, je reviendrai sur cette question pour signaler certains à côtés que produit une mauvaise interprétation de l'histoire du Canada telle qu'on l'a enseignée et que l'on continue de l'enseigner dans les écoles de ma province.

Honourable senators, one of the gaps that have been mentioned in the present debate as existing in the various history manuals used in English-speaking provinces of Canada is the omission of the statement that the French language is official in both Houses of our federal Parliament.

In my remarks on the resolution of the honourable senator from Sorel, I do not intend to criticize at length manuals in use in English-speaking provinces. I have not the necessary information to pass fair judgment on these text-books and I believe that on a question as delicate as the one under discussion it is better to leave to the citizens of each province the task of finding out and correcting for themselves the weaknesses in their own teaching of Canada's history.

If I spoke in French at the beginning, it was because, rising for the first time in this House to address my honourable colleagues, I wanted to pay tribute to my mother tongue; and, secondly, I desired to point out the important fact that the French language is legal in this Parliament of a British country. May I be allowed to state that in referring to the fact that the French language is official in our proceedings, I do not imply that it should be compulsory. I do not belong to the group of people who would force Canadians of British descent in this country to speak a second language so as to be able to understand easily all that is said in Parliament. The Constitution does not go farther than to make both our principal languages optional in Parliament, and it is only fair that this should be so. Those who wish to understand everything that is said in the Upper Chamber, in the House of Commons and in the Legislature of the Province of Quebec are under the necessity of studying both languages.

I am ready to admit—the truth is evident—that for their own economic development French-speaking Canadians need to learn a

second language more than English-speaking Canadians do. English is spoken on this continent by some 150 million people, while we who speak French as our mother tongue number hardly 5 million. It is up to each individual to decide whether it is in his own interest to learn both languages. Any Canadian will inevitably come to the conclusion that it is, if he wishes to understand what is said in the two languages officially spoken in both Houses in Ottawa; otherwise, for the meaning of what is said in one of these languages he will have to wait for the translation appearing in Hansard.

In the course of my remarks, I shall come back to this question, to point out some of the consequences resulting from a false interpretation of the history of Canada as it was taught and is still taught in the schools of my province.

I believe that speech was given to men to enable them to communicate their ideas to other men rather than to glorify the little corner of the earth where they happened by chance to be born, and that, after all, speech is simply the vehicle of thought.

I also believe that when in "honest company," as cultured people of the seventeenth century used to say, it is becoming to speak the language understood by all, and so I take the liberty of carrying on in English. I am little concerned with the opinions of narrow-minded people who, I know, will not fail to criticize me severely for having delivered the greater part of my maiden speech in English. Such attacks will not be the first ones of this character that I have had to meet in my long career.

In speaking this language I shall be compelled, much to my regret, to follow the advice of Monseigneur Laflèche, who once said—I was young then—"Speak English, but speak it badly". Our educators necessarily translated these words into "Teach English, but teach it badly". They heeded the advice, and applied it faithfully, not only in our elementary schools but also in our secondary schools and universities. It was a bad philosophy, borrowed from a badly taught history of our country, which inspired with this false attitude those to whom our former legislators had entrusted the education of the masses. As a result, after leaving elementary school, I learned practically no English whatever in what we called our secondary studies. The little English that I know I have assimilated from English newspapers and books which I have read in order to keep myself informed of current events and to study the trend of ideas. So I apologize if I am offending the ears of honourable members who are accustomed to hear the beautiful language of Shakespeare spoken as it should be by those who know its secrets.

This motion has as its main purpose the placing in the hands of our children of any language and creed a text-book in which the main facts of our Canadian history shall be related according to truth, with due perspective, and interpreted in a way that will tend to create a real Canadian mind in all sections of this vast and promising country. Though there may be differences of opinion as to the best wording of the text so that it may have a better chance of producing its full effect, I believe there is among us unanimity of opinion on the necessity of attaining its ultimate end—Canadian unity.

In this House no doubt we all sincerely desire Canadian unity; for we know that Canadians have everything to gain by being united. But can we make the same statement for all those outside these four walls, even though there seems to be unanimity in the declarations of fidelity to Canadian allegiance and of a sincere desire for unity between our distinct racial groups?

I am sure that it is the lack of unity in the minds of our people on national questions and in some of the actions of our younger generation, whose concepts of unity are as far apart as the two opposite poles of a magnet, that have prompted my honourable colleague to put this resolution on the Order Paper in his earnest desire to serve his country. In my short speech I shall, I hope, prove that he is to be congratulated on having brought this matter so opportunely before this House and the country at large.

Like my colleague from Sorel (Hon. Mr. David), I believe the time has long since come to improve the teaching of Canadian history in the schools of the province of Quebec. We have to judge a tree by its fruits, and I am sorry to state that the results we are actually reaping are far from being satisfactory.

An Hon. SENATOR: Hear, hear.

Hon. Mr. BOUCHARD: In fact they are rather discouraging to those who thought we could, and still persist in thinking we can build a country in which the descendants of two great nations and two great cultures will live and thrive in peace and harmony.

It is by exposing in the open what actually exists in my province, by showing our true history in the making, which proceeds from the false history that the past and the present generation have been taught in our own schools, that I shall show how urgent it is to make a radical change in this teaching. Canadian history should not serve as a tool of sub-

versive propaganda in the hands of those who are aiming to disrupt Confederation and overthrow our form of democratic government.

I see, honourable senators, that most of you are astonished at these declarations from a man who has been in active politics for more than forty years. I am not a visionary, far from it, but I believe that, as was said long ago, eternal vigilance is the price of safety. It is because they have forgotten this rule that the democratic nations are now plunged in the worst inferno of war ever known to humanity.

To superficial minds the question of recommending a uniform text-book on Canadian history may seem of little avail, but if we go to the bottom of things we shall clearly realize its vital importance. Nobody will contest that opinions, even firm beliefs, on national and religious questions are formed nearly a hundred per cent in our schools, mainly from the teaching of history.

I will show that Canadian history is badly taught in our schools, first by reading some excerpts from the lessons sought to be impressed on the receptive minds of our younger generation, and, secondly, by describing the subversive tendencies we actually find in a surprisingly large number of our educated men up to the age of forty—tendencies created by the way in which Canadian history is taught in our public schools.

I do not purpose to dwell at length on Canadian history as taught in the schools of the Province of Quebec and, as I have said, I shall not venture to comment on the merits or demerits of the text-book of the English provinces. In this case, as in many others, I think it wise for everybody to follow the advice of the old philosopher: "Medice, cura te ipsum." "Doctor, cure thyself!" If in every province we do cure our own ills the nation at large will be healthy. I do not mean that a consultation of experts would not be justified; far from it. I believe that the consultation recommended by this resolution is even necessary. But I just want to point out that at this stage of the question laymen in history, as I am one, should restrict themselves to deploring the deficiencies of history teaching in their own lingual realm.

Whether or not this resolution is adopted in its present or some amended form, whether it will have full effect as adopted by this House or remain in the records of the Senate as a dead letter, I believe it will be of some help to those who are trying to build up a real Canadian mind in the two most important groups of our fellow citizens, the founders and main builders of this country—Canadians of French and of English descent.

The question of having a uniform manual of Canadian history appears simple to those who have lived long, have studied much and have realized that they are in a new world. Most of them have been led to see the great benefit that would accrue to both races and creeds if this country of ours were permeated with a real modern and North American ideology as to the relations that should exist between people of different origin and different creed. They see in a proper teaching of Canadian history a sure way to attain that goal. A manual of basic facts accepted by each province would necessarily tend to smooth the road to good understanding between us all.

But in reality the question is rather complex when we consider that in any section of this vast country we are far from having dissociated ourselves from the old European clannish mind. In fact some of our people are trying to rebuild in our country one of the small provincial kingdoms we had in France in days of yore; while others, unsuspectingly led by a latent but powerful colonial mind, will not realize the fact that a few decades ago we became a real nation, that the scion issued from a noble plant has itself grown to be a noble tree.

Rome was not built in a day. It is no wonder that we do not view in the same light the important problems on which there should be unity of mind among those who have a right to claim diversity in things where diversity not only can but in fact should exist. It is when we have to make distinctions between the things on which we should have unity and those in which diversity can exist without prejudice to the common interest that we can see the complexity of the question now raised in this House.

A man of honest purpose has to concede that important frictions exist between Canadians of French and of English descent. Differences of religion and language are, though they should not be, fertile fields where the sowers of the seeds of discord work day and night, but mostly in the dark. They forget that the founder of our Christian religion has said, "Be brothers" and that on the British Commonwealth coat-of-arms we see the French motto, "Dieu et mon droit".

Our colleague from Sorel sees in the past and present teaching of Canadian history in our French and English schools one of the main causes of these frictions, and to my mind he is perfectly right in his conclusions. The little I was taught in schools from my earlier days to my graduation in science and arts did not tend—no, far from it—to give me the Canadian mind which my post-school studies and the realities of life have since inspired in me. I pursued my science and arts studies

as a day-boy, and was less subjected than the boarders to cramming on language and creed matters. This is most probably the reason why when I left the seminary, I decided to look around before closing my mind on some of the most important problems of life. I was fortunate in having as my first boss a Canadian of Scotch origin, although you would not have recognized him as such by the perfect French he spoke. In his office I learned that Canadians of English descent were not all cloven-footed and did not all bear horns, but on the contrary entertained the very same good sentiments as did we of French descent.

Why had I been led to believe those silliнesses? Why, like my young comrades, was I full of prejudices against those who were not speaking my language and not going to the same church? Since my infancy I had been taught that everything the French-Canadian had to suffer came from the fact that he was of French and Catholic descent.

By referring to two or three paragraphs of one of the most circulated Canadian histories in our Quebec schools—this history being typical of those that have formed the opinions of the French-Canadian on race questions—I will show the reason why I had been induced to flee as much as possible the company of Canadians of other racial origins, and I will clearly prove that one of the most important school subjects for the forming of the national mind is far from being taught in the way it should be taught in our French province.

As I want to give my hearers the opportunity of verifying the accuracy of my quotations, I shall refer them to the text-book entitled: "History of Canada, Elementary Course, by the Brothers of Christian Science, approved by the Council of Public Instruction for primary schools, elementary grade, on the 11th of May, 1910—3rd edition". On page 72 I read:

Paragraph 134—The English without taking into consideration the act of capitulation, abolished (1763) the French laws to replace them by those of England; all the Canadians were compelled under penalty of banishment to swear the Oath of the Test, or of supremacy, the heretical formula of which was revolting to the conscience of Catholics.

Paragraph 135—General Murray, named Governor General (1763), mitigated the rigour of the new regulations and did not exact the Test Oath.

We have to note that these two conflicting paragraphs are on the same page, (72) and follow one another.

On the next page, (73), we read under the title "Canadian Clergy", paragraph 2:

The clergy gave direction to the courage and the good-will of the still inexperienced Canadians; it helped them to withstand oppression and injustice and inspired a loyalty which forced England to give back to French Canada all the privileges conceded by the treaty of Paris.

May I point out that this treaty of Paris, which the author cites as a document by which England had conceded most important privileges to Canadians, is the very same treaty of which, on the opposite page it is said:

—all the Canadians were compelled under penalty of banishment to swear the Oath of the Test, or of supremacy, the heretical formula of which was revolting to the conscience of Catholics.

How is it that the author can find some good in a treaty in which, according to the page following, he has seen only bad things for the Canadians?

On page 74 we read:

Paragraph 137—General Murray was recalled in 1766; Guy Carleton, who replaced him, adopted towards French-Canadians the wise and impartial policy of his predecessor.

From this paragraph and paragraph 135, which I have already quoted, a man having the slightest sense of reasoning would infer that under both our two first Governors General the French-Canadians had been fairly well treated.

Let us see what our public school historian says of them in his appreciation of their conduct. On page 75, exactly opposite paragraph 137, which I have just quoted, we read:

1. Since 1763 the Canadians had to complain of a government which did not do justice to their rights. Public places were given to a crowd of soldiers of fortune who ignored the French tongue; the Test Oath was keeping them away from state businesses; even their religion was hardly tolerated.

If the Governors had some say with the government of the colony, how can you set this rash statement against the fact that the author had just said that Murray did not exact the Oath of the Test; that he had toned down the harshness of the new regulations, and that he had adopted towards the French-Canadians a wise and impartial behaviour, as did his successor Guy Carleton?

Now before closing this Canadian History, let us proceed to page 79 headed, "Narration—Anglicization." There we see the general appreciation of the author on the first decades of the English regime and the trend of the whole book. Here is the first paragraph in all its crudity:

The end pursued by the policy of England in the early times of its administration in Canada was to anglicize the French-Canadian nation, to rob it of its religion, of its language and of its national customs.

It is true that at the end of the narration, after seventeen lines of the type of those I have quoted, the pupil can read:

England ended by granting to the French-Canadians all the privileges possessed by free and independent peoples.

It is clear that the writer was forced by necessity to put these two lines in his text-book, because even a child of ten years could never have understood how it came about that after so many years of tyranny and oppression his race and religion were as free and prosperous as he found them in his own time.

The first point I wanted to make in my remarks was that our history was not written as it should be for those who believe that harmony between the two great races living in this country is possible and most desirable. I have given a typical example of our Canadian history as it is taught in our Quebec schools. The contradictory statements I have quoted clearly demonstrate that this teaching cannot be according to facts, but is intended to prejudice young minds against our compatriots of a different tongue and creed. It is un-Canadian, even unchristian. The founder of Christianity has never preached that one man should rise against another because of differences of race and language.

The second demonstration I wanted to make was that those who taught Canadian history to divide the Canadian nation on racial and religious lines had now attained their ends to such an extent as to imperil our internal peace. It is the permeation of the souls of our past and present generations of school children, college pupils and students by a false Canadian history and a still falser interpretation of its real events, that has brought us to this point. Among Canadians of French descent there are some of us who, unlike the bird of the desert which buries its head in the moving sand so as to avoid facing danger, are willing to open our eyes to any serious situation. We think the time has come—let us pray God that even now it is not too late—to stop a subversive propaganda, intensified by the state of war which has existed for over four years, which tends to bring us before long to mob rule and perhaps to civil war.

I cannot accept the views of some of our citizens higher up that it is better to close our eyes to the subversive activities, underground or in the open, of those who, prompted by a racial hatred insidiously instilled into the souls of the French-Canadians by a wrong teaching of Canadian history, are undermining our governmental institutions. I still believe that a large majority of my compatriots love Canada as it is, constitutionally and otherwise, and do not want any change in their allegiance. But this majority is made up of peaceful and law-abiding citizens, and their only wrong-doing is that they care too little about the activities of those who, in the dark or in the limelight, are sabotaging our free institutions.

The worms are gnawing the roots of the tree of our liberties. Only the wide-awake observer can see that some of the leaves are already withering; that if the prudent tree surgeon does not soon find a way to stop the underground destruction, before long the trunk will fall on the ground.

The false philosophy that has been created in the minds of French-Canadians by the wrong teaching of Canadian history has led many of them to wish for an independent form of government. Seeing only the wrongs, which have been shown to them in the most vivid light possible by our self-made historians of inventive minds, they seem to be blind to the advantages we have derived from our association with the British Government. The task of changing the form of a government is not an easy one, so our secessionists have called to their help all the forces that appeal most to the popular masses—religion, race and greed. The new state would be Catholic, French and corporative, so that the Catholic and French toiler would be master of his own religious, social and economic destinies.

History has taught us that nearly every revolution has started under the influence of secret societies. So, though there had been much preaching against secret societies, around 1928 one was founded with the blessing of the Catholic and French clergy. It bore the name of The Jacques Cartier Order and had its head office in Ottawa. Prominent French-Canadians were induced to join, the avowed practical end of the society being, not revolution, but to permit French-Canadians to have their fair share of the jobs in the public service. Later on, when the Jacques Cartier Order decided to expand beyond the capital, the strength of the order was to be applied to restraining what was called foreign investment in local trades, when these trades did not belong to French-Canadians. Anti-semitism also was called in to aid in the recruiting of members. Finally the officers of the highest degree gave, in the utmost secrecy, the watchword to invade the political field and to control patriotic societies, governments and public administrations of every kind.

The invitation has been well received, and nearly all Saint Jean Baptiste societies, Catholic syndicates, city school commissions, municipal councils and junior boards of trade are under the direct influence of this secret order. It is due to its secret organization that L'Union

Nationale went to power in 1936, to give us the poorest and most abusive government in the history of our province. That government went to complete defeat in the third year of its existence, the people having opened their eyes to the iniquity of the campaign of slander waged against the Liberal party by the enemies of democracy.

This secret society owns its public and secret newspapers. La Boussole is the open organ. L'Emerillon is the secret publication. If the teaching of Canadian history in our public schools had not prepared our population to receive favourably anything tending to dis-associate us from our English fellow-citizens, would the work of this hidden organization be tolerated here? Let us see.

Here I have to make a statement. It is my firm belief that at least seventy-five per cent of the members of this Order, which according to the most recent information numbers around 18,000, are good British citizens who do not suspect where they are being pushed by the fanatics of every description who are the real leaders of the secret society. Imagine the harm that can be done by these active agents of destruction in a more or less passive population such as the one living in my province.

From a copy of the secret organ L'Emerillon, an old one dated September-October. 1937, I read this about the situation in Central Ontario:

> Let us note the interlinking of our groups which threatens to shut in the centre of Ontario, and, in consequence, to choke those who dread, and rightly, our "French domination" in a more or less near future. Our French masses of the north, especially, will finally weigh so heavily on the populations of the centre and the south of the old Upper Canada that, on each side, we shall perhaps think of secession, to the end of creating a new province which will be French by a great majority.

As I have just noted, this was published in the year 1937, at the time of the Spanish civil war in which the German Nazis and the Italian fascists were forming their hands to destroy our free countries and murder our civilian populations. And do not believe that this dream, inspired by the cramming of the French-Canadians on our history, is an isolated one. Far from it. We have among us quite a large number, though not yet representing the majority, who believe that it is possible and in our interest to create not only a new French province in Ontario but an independent Catholic and French state. This is not a new idea, but the totalitarian progress in Europe in the decade that preceded the last world war has given a new impetus to that backward movement tending to bring us back to the social and economic status of the Middle Ages.

And this policy was favoured not only by young men desirous of putting themselves in the limelight of public opinion. An entirely Catholic state was then recommended even by the chargé d'affaires of the Apostolic Delegation in Canada, His Excellency Monseigneur Mozzoni. Here are the words he used, as I find them reported in the widely circulated proceedings of the courses and lectures of the Social Weeks of Canada, 15th session, Saint Hyacinthe, 1937:

> The politicians can talk on the greatness and the prosperity of the country under such and such a form of government; this concerns us but indirectly. What we do want, and what we shall work to attain by all our means, is a state completely Catholic, because such a country only can represent the ideal of human progress, and because a Catholic people has the right and the duty to organize itself socially and politically according to the tenets of its faith.

In 1937 we were, as we are now, in a free country, and everybody had a right to his opinions, and I am satisfied that there is not a country in the whole world where religion is freer than in the province of Quebec. The large majority of my fellow citizens are fully contented with their present governmental institutions and do not ask for a change. What we want is peace and harmony between our people of different origins. My purpose in quoting these words is simply to show that there is unrest not only among the masses, who are badly informed on Canadian history, but also among the upper classes, and that we must watch for the undercurrents producing such apparent eddies on the surface of the troubled waters of our national life.

In 1944 the situation has gone from bad to worse. More and more young men have left school with that deformation of the mind proceeding from the bad teaching of Canadian history, and the underground propaganda has increased in intensity.

Under the régime of L'Union Nationale, the first governmental offspring of the Jacques Cartier Order, regulations were passed in our province to shorten the English tuition in our schools, and a law was adopted to give precedence to the French text in our statutes, although the Constitution placed French and English on the same footing. No sane French-Canadian had ever asked for this change, as we were satisfied that the spirit of the law, as shown by one text or another, was the best guide for its interpretation. The enactment of our isolationists was the cause of such a commotion in the English section of the province that those who had caused the law to be inscribed in our statutes had to repeal it themselves.

The movement against teaching English in our primary schools was intensified, and it came to a point where fathers of families noted that their sons and daughters were making no progress in the English language. One day one of my neighbours came to see me. He wanted one of his boys to learn English; he was discouraged at his slow progress, though he was quite an intelligent lad. He did not know why in the school which his boy attended English was taught by a teacher who hardly could say "Yes" or "No," when one of the brothers who had come from the United States was fully conversant with this language. I told my neighbour that it was probably because the good brothers did not want their pupils to learn English.

Later on he returned to my house and told me this story. A cousin of his from a city in Ontario, a teacher in the same congregation, had come to Saint-Hyacinthe to visit him. My friend had told him that it seemed the teachers in the school which his elder son was attending did not seem to be willing to have their pupils learn English despite the necessity for French Canadians to learn this language. The cousin was astonished and said he did not understand it. He added that as he was to meet the brothers that very night he would discuss the question and make inquiry about it. The next day, my friend related, his cousin came to see him, his mind entirely changed as regards English teaching. With a radiant face, as if he had realized the most ardently sought object of his life, he exclaimed: "What would you say, my dear cousin, if in fifty years there would not be left in the province of Quebec one solely English-speaking citizen?" My friend, completely dumbfounded, retorted: "Have you become crazy?" "No," he answered. "The orders come from high up." And he mentioned the name of a man of the upper clergy, now dead.

Preventing French-Canadians from learning English, by any means, to their utmost detriment, is part of the underground work of our isolationists. They do not want us to meet English-speaking Canadians, naturally, because when you talk to somebody preventions inspired by propaganda disappear.

To have an idea of the Order of Jacques Cartier on this matter let us read some of the instructions given by one of the editors of L'Emerillon to the XC, that is commanderies, of Ontario.

10. For the good of the Order. To take the leadership of all patriotic movements, organizations, celebrations, etc. To exclude from them everything smelling of Bonne-Entente (good understanding) and serving but to set us back in second place.

Economic Awakening—

2. To note that the economic decline has started the very same moment that English methods have been taught to us. The excessive use of commercial English has caused the loss of our French qualities.

3. We are the only race to copy others; result: failures everywhere. The Englishman does business as an Englishman; the Jew as a Jew.

4. Our school programme anglicizes and renders stupid. Who must learn the tongue of an overbearing neighbour stirs up the arrogance of the neighbour. The one who anglicizes himself loses his French character.

And now about the discipline in the Order I will quote paragraph 2 of the instructions:

2. The watchwords are not to be questioned. It is the general good which inspires them. Do not change anything in their signification without being authorized by Ottawa.

These watchwords being the orders of the Chancellery, the supreme council, are passed on to the commanderies, and from the commanderies to the initiated secretly representing the Order in Government Cabinets, municipal councils, directorates of chambers of commerce, school commissions, labor syndicates, patriotic societies, and so on.

In the edition of L'Emerillon from which I have taken these excerpts, May-June, 1937, there is a long article promoting the adoption of a national flag for the French-Canadians: royal blue background, large white cross and fleurs-de-lis at the four corners. In this article the writer reminds his readers that the Order has succeeded in changing the name of the Montreal Harbour Bridge to Jacques Cartier Bridge, and of Fletcher Fields to Jeanne Mance Gardens. Three weeks ago, the war being in full swing, the Order also succeeded in persuading the heads of the Montreal University to consecrate this flag as the real labarum of the non-existing French-Canadian Catholic state by raising it to the mast of the ten million dollar building erected with government money, that is money belonging not only to those favouring the secession of our province, but mainly to Canadians true to their political system and the British Commonwealth of Nations.

This was done on the top of the mountain overlooking the largest city in Canada, in the presence of thousands upon thousands of citizens, by the blessing, by an eminent Catholic priest, of the old flag of Louis the XV as the national flag of Canadians of French descent. Evidently there are lots of people who play with fire without knowing it.

The deformation of the mind of some of our fellow-citizens has gone so far that those who want to correct facts of our history that

have been misrepresented are treated as traitors to their race and religion. One of our most eminent historians, Abbé Adélard Maheux, a member of the Royal Society of Canada, professor of Canadian history at Laval University, a year or two ago wrote a book entitled "What Keeps us Apart?" This volume followed one bearing the title, "Our Beginnings under the English Rule". Because Abbé Maheux wanted to be honest about the real facts, because his philosophy of Canadian history is that we should be good neighbours with our compatriots of different origin, he has in the last few years been the centre of an unparalleled storm of abuse from our separatists and isolationists of every description. That most respectable priest was banned as a traitor to his race because he spoke the truth. The terrorism against him went so far that lately a meeting before which he was to give a lecture had to be cancelled three times in the week preceding its delivery. The lecture was given, however, but under the protection of municipal, provincial and federal police.

One of the most active and open organizations of the Jaques Cartier Order is the Young Laurentians. In May last they published a manifesto. To give you an idea of what our reactionaries think of Abbé Maheux, a true Canadian, I read on page 7 these silly words:

> A cat is a cat, Abbé Maheux is an extinguisher, an obscurantist.

And now to show the real objective of all the political, religious and co-called patriotic organizations controlled in secret by the Jacques Cartier Order, let me read a few paragraphs of the message of the general president under the title, "Our reasons for a revolution":

> I will tell you that it is our duty to hold the situation in hand. I will tell you more; it is pressing to form leaders. Leaders, it is the only reason for our movement. For a revolution that shall be ours, for the true interests of the French-Canadian people.
>
> And this revolution that we want shall be practical, efficient, calm and good, because it calls for pure, fundamentally Catholic and French men. It is the revolution of the liberated Spain, or the organized Portugal, of France under Pétain.

The paternity of the association is easily traceable to the Order of Jacques Cartier when we read on page 12:

> . . . and especially, Discretion! Do not commit the error to pronounce yourself as a Young Laurentian. We formulate this request to the individual not to the member.

I do not think it is necessary for me to dwell much more on the subject to convince honourable members that a wrong teaching of Canadian history in our province has already done nearly all the harm that could be desired by those who are in favour of disunion in this country between peoples of different languages and creeds. Their ultimate aim is not only to disunite the people on lingual and religious matters, but also to disrupt Confederation, to abandon the more human North American concept of a large nation composed of people of different religious beliefs and racial origins, and to revert to the old European concept of smaller nations of the same religious and racial descent.

As I have shown, the field is fairly well prepared, at least for a flanking attack on our political institutions. The underground workers have already succeeded in destroying the Quebec Liberal-Conservative party. The former association of Liberal Conservatives with the "castors" or ultramontanists of the old school made this job an easy one for the leaders of our hidden Fascists. Anti-war preaching against democracy and liberalism has not yet succeeded in breaking the Quebec Liberal party.

What effect the efforts of the enemies of liberalism will have to create dissatisfaction during the war remains to be seen. The Bloc Populaire, of which one of the ex-president-generals of the Young Canada, now the Young Laurentians, is the leader in the province of Quebec, is the open political tool of the Jacques Carties Order; and it may be that at the last moment, if the liberty-loving people do not open their eyes in good time, they will see to what extent underground work has undermined our free institutions.

Some will blame me for having openly expressed my thoughts on Canadian History as taught in our Quebec schools, and especially for having shown what is going on in our upper and lower classes on the political situation behind the curtain, where the actors are rehearsing what many believe will be a farce, but which to my mind will eventually turn out to be a national tragedy. In a mounting storm I like to face the wind and not be caught by it in the back. I am not a pessimist, but when I hear distant rumblings of thunder I am aware that the dark clouds are liable to burst over my head.

I shall vote for the resolution, whether amended or in its present form. It cannot but have a good national effect, for it has already been the occasion of our discussing most important suggestions of reform in the existing text-books of every province.

It may be that in the name of provincial autonomy there will not be an agreement between the representatives of the different governments to appoint a committee to write

the suggested uniform text-book, but it is to be hoped that the representatives agreeing on this reform will find some progressive association to take the matter in hand and see that at least everything tending to disunite the people of this country shall be eliminated from text-books of Canadian history and that only the real and proven facts shall be taught to our younger generation.

We have to build our new generations along different lines from those that have prevailed up to now, and, speaking for my province, I hope the day will come when English and French citizens will realize that they have everything to gain by being at least good neighbours if they cannot come up to the evangelical perfection of being good brothers. I must confess that I should like to have painted another picture of the situation in Quebec; but I thought it my duty to present the real situation, being convinced that it has now become dangerous to flatter ourselves regarding things that do not exist. History, past and present, has taught me the hardships of common people during civil wars and revolutions, and it is to preserve my fellow-citizens from this menace that I warn them not to heed the insidious appeals of reactionaries and cheap politicians. Our political institutions and our association with the other nations of the Commonwealth have given us internal peace and prosperity. Let us side with those who are willing to make any sacrifice to preserve them in their integrity. There we shall find safety and happiness.

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

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

THE SENATE

Thursday, June 22, 1944.

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

Prayers and routine proceedings.

WAR APPROPRIATION (UNITED NATIONS MUTUAL AID) BILL, 1944

REPORT OF COMMITTEE

Hon. ELIE BEAUREGARD presented the report of the Standing Committee on Finance on Bill 138, an Act to amend the War Appropriation (United Nations Mutual Aid) Act, 1943, and for granting to His Majesty aid for the purposes of the said Act.

Hon. Mr. BOUCHARD.

He said: Honourable senators, this Bill is reported by the Committee without any amendments.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: Honourable senators, I would move third reading now.

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

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed, on division:

Bill W4, an Act for the relief of James Russell Popham.

Bill X4, an Act for the relief of Norma Segal Katz.

Bill Y4, an Act for the relief of Harold Almond Jelley.

Bill Z4, an Act for the relief of Josephine Kurys Kulczycki.

Bill A5, an Act for the relief of Shirley Harte Harvey Payne.

Bill B5, an Act for the relief of Pearl Anneta Benn Russell.

Bill C5, an Act for the relief of Joseph Adélard Paul Bégin.

WAR APPROPRIATION BILL NO. 2

DEBATE CONTINUED—SECOND READING

The Senate resumed from yesterday the adjourned debate on the motion for the second reading of Bill 132, an Act for granting to His Majesty aid for national defence and security.

Hon. A. B. COPP: Honourable senators, when this Bill came before the House yesterday, my honourable friend from Westmorland (Hon. Mr. Black)—I do not see him in his seat to-day—asked that the second reading be delayed, as at that time, owing to an omission, the Bill had not been distributed. Consequently, I moved the adjournment of the debate. Therefore, inasmuch as I am now on my feet out of regard for what my honourable friend said, I think it may not be out of place for me to take a few minutes of time this afternoon to answer some of the remarks made yesterday.

This Bill is one of several of a similar nature which have come to us during the last four years to provide the requirements necessary to carry on the war, as we pledged ourselves to do in the beginning and have attempted to

do since, so that it may be brought to a successful conclusion. In order to do that, as everybody knows, it is necessary to spend large sums of money from year to year, and it is very gratifying to notice that while some criticisms may have been voiced during the four years these bills have been coming to us from the other chamber, nobody has made any objection whatever to the size of the sums asked for.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. COPP: This has been left to the Government, which is responsible for providing the materials necessary to the proper conduct of the war and, in fact, the bills have been passed unanimously.

As far as this Bill is concerned, a very long debate took place in the other House, continuing, I think, from the 11th of February until the 8th of June, when the Bill was finally passed there. So far as I have been able to read the report of the speeches in that House, there was very little, if any, criticism of the amount asked, huge though it may be. There was, however, a great deal of discussion as to how this amount should be broken down, and as to what proportion should go to one service or another. There was criticism also along the lines of what my honourable friend opposite (Hon. Mr. Haig) said yesterday with respect to the control and management of the man-power of Canada.

In his opening remarks yesterday my honourable friend referred to the ways and means by which man-power could be obtained in Canada. He mentioned the conscription of men generally—something which has been open to question ever since the last war. He referred also to voluntary enlistment, the method upon which we depended very largely during the last war and also this war. In this connection, I think I should say that the young men of Canada are to be commended on the high spirit of patriotism they have shown in volunteering to go to the front to defend those of us who can only do our part by paying taxes and maintaining the supply of the munitions of war and whatever else may be necessary to bring us to final victory.

Speaking of the Mobilization Act, my honourable friend said:

> Such is the policy of this country now, and to it I am violently opposed.

I may say that he did not speak as violently as his words would indicate. Nevertheless he took strong objection to the Mobilization Act and to the manner in which the man-power of Canada was being handled. He continued:

> If it is the opinion of the Government and the majority of the people in this country that men are not needed any more at the front, or that they can be got by voluntary enlistment or in any other way than by conscription, then the Conscription Act should be withdrawn, and seventy thousand men who are promenading up and down this country should be allowed to go back to their occupations.

In the first place, I want to say to my honourable friend that to some degree I agree with him as regards that situation, but I would suggest that we must keep in mind the conditions that have existed since the outbreak of war. When the Mobilization Act was passed Canada was in a more or less perilous state. U-boats were then lurking around our shores; in fact, ships were being sunk by U-boats in the gulf of St. Lawrence. The steamer Caribou, which sailed between Cape Breton and Newfoundland, was torpedoed in the Gulf, with the loss of a number of lives. U-boats were discovered within a few miles of the safety gates protecting the entrance to Halifax harbour. I do not need to mention any other facts, for I am sure honourable senators will agree that with conditions as they were at that time the Government, which is responsible for the protection of the country, proceeded wisely in seeking the advice of military and naval authorities and acting upon it.

The Mobilization Act was passed and as a result a considerable number of men were conscripted, if I may use that term—perhaps I should say, enlisted—for home defence. Fortunately our country has not suffered greatly from enemy attack, and I am bound to admit that possibly the risk of our being attacked, has been lessening from time to time. I hope it will continue to lessen. Nevertheless I feel that at this time, when we are facing the greatest crisis of the war, it would be a mistake to repeal the Mobilization Act and thereby destroy the nucleus of an army which we now have in readiness to go overseas, if required.

I repeat that the members of this army are in readiness to go overseas, if required. The decision as to whether at any time they are required must be left to persons who know more about the facts than I do. My honourable friend said that we have about 70,000 men in training here, and I presume that number is approximately correct. If the Department of Defence and other powers that be should at any time consider that those men are needed to replace casualties among our fighting men overseas, I am sure the Mobilization Act would authorize the sending of them to the places where they would be of most service. The men in this army have been given very valuable training, and it seems to me it would

be the part of wisdom to maintain them at their present point of efficiency until they are needed elsewhere.

We have the most conclusive evidence that well-trained men make the best soldiers when they go to the front. We know what splendid work is being done by our Canadian soldiers in France to-day. They were perhaps disappointed at not getting into action earlier, but the long period of strenuous training to which they were subjected in England—some of them were there for four years—is now producing the desired results.

Suppose we disbanded the home defence army now and within two or three months required these men for reinforcements overseas. Think what would happen in the meantime. The men would have become scattered all over the country, and their value as soldiers would have greatly depreciated because of the lapse in their training. Furthermore, all the training camps would have been closed. To obtain reinforcements it would be necessary to pick up these men again, wherever they could be found, reopen the camps and then do our best to get the men back into as good shape as they were when discharged.

My honourable friend paid eloquent tribute to our soldiers for the splendid manner in which they have conducted themselves in the various theatres of this war. I join with him whole-heartedly in that tribute. We are proud to know that our soldiers, sailors and airmen are doing much to help bring this war to a successful conclusion. Their great contribution towards victory is recognized not only in Canada, but throughout the world. The statesmen of all the Allied nations have paid high tribute to the splendid work that has been done and is being done by the fighting forces of Canada, and have testified over and over again that in this respect our men stand second to none.

My honourable friend also made some reference to conscription, but as he did not say just what he felt about that question I do not propose to discuss the matter. It has not become an issue in this country.

When the honourable gentleman was speaking in regard to demobilization, the honourable senator from Ottawa (Hon. Mr. Lambert) asked him this question:

> Would the honourable gentleman favour disbanding the home army at the present time?

The honourable gentleman's reply was as follows:

> I shall answer that clearly. The Government have all the facts, and apparently think they do not need these men overseas, because if they do they could send them there. If I had the facts and came to the same conclusion, I would let these men out of camps and send them home. That is my answer. Give me the facts.

Well, we all are asking for facts. We all should like to know about the casualties now being incurred in France and elsewhere overseas, but for some reason—whether right or wrong, I do not know—the authorities responsible for the conduct of this war feel it would not be in the public interest to give us these facts. My honourable friend is unfortunately in the same position as the rest of us, in being unable to obtain desired information.

Continuing his answer to the question as to whether he would disband the men in the home defence army, my honourable friend went on:

> If they show the men are needed overseas, I will be prepared to send them. If they are not needed, as would appear to be the case, I would send them home, to the factories, the farms and the warehouses.

I repeat my opinion that now, of all times, it would be a great mistake to repeal the Mobilization Act and disband all these men who stand trained and ready to be sent overseas, if required as reinforcements.

My honourable friend has spoken not only in this House but in various parts of the country in regard to the Government's responsibility in carrying on this war. We all realize that the responsibility does rest upon the Government, but it is well known that ever since the war began the Government has sought counsel from the ablest men available in all the different branches of war activity. Everyone knows that not all members of this or any other Government are supermen. I speak from experience when I say that some very ordinary men are at times to be found in the councils of government. But, as I say, the present administration has followed the practice of engaging the best available men to supervise and carry through the numerous and important undertakings made necessary by the war. Some of these men have served without salary—they are commonly known as dollar-a-year-men—and others have been paid for their services. I think it will be agreed that in general they have carried on their respective tasks with a high degree of success.

No one would suggest that the Government has not made mistakes. It has made many mistakes in this war, just as the then Government made in the last war. The making of some errors in times like these is unavoidable. Nevertheless, I feel that when everything is taken into consideration it has to be admitted that the Government, supported as it has been by the people as a whole, has done a splendid job in the conduct of this war. And

I believe the Government will continue to prosecute the war effectively and in the best possible manner until victory is achieved.

We have very much to be thankful for in this country. In saying that I do not wish to be understood as giving all the credit to the Government. Much of the credit is due to the people as a whole, for the way in which they have backed the country's war effort. Of course there has been criticism from time to time, and rightly so. Sometimes a good deal of prominence has been given to complaints that are relatively trivial. For instance, at times we have heard the cry: "There is not enough sugar." or "There is not enough tea." or "There is a shortage of gasoline." But any one who stops to compare our lot in Canada during the past four and a half years with the privations and sufferings in some of the countries of our Allies, must admit that we have been subjected to nothing more than slight inconveniences, hardly severe enough to justify complaints.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. COPP: I do not think I need say anything further in regard to my honourable friend's criticism of the man-power situation.

My honourable friend also referred to income tax and reconstruction. When the budget bills are before us we shall be in a position to discuss the question of whether the income tax should be reduced or increased. We are all prone to think that our income taxes are too burdensome; but, after all, the only way in which the great majority of our people can help the war effort, and so supplement the great services of our fighting forces, is by paying taxes in order to provide the money necessary for carrying on the war.

My honourable friend said he was not altogether imbued with the idea that we should pay half the cost of this war as we go along, and he asked whether the coming generations should not pay something on this account. I differ with him. I think that we should to the full extent of our financial ability pay every dollar of war expenditure and leave the smallest possible proportion as a liability on future generations, for, the Lord knows, future generations will have enough to do in carrying on after the war ends. I think the greater the proportion of war expenditure we can pay at the present time the better it will be for the future well-being of Canada.

As to reconstruction, it will come before us when another bill, now in the other House, reaches us. Then we shall have ample opportunity to discuss the question in all its bearings.

In his criticism of the manpower situation my honourable friend cited the case of a man of 52 and a woman of 49 with two sons, one 16 and the other 21. He said the elder boy had been sent to camp and was promenading up and down, doing nothing for the good of the country. I take issue with my honourable friend's statement. Men in training camps are not doing a great deal of promenading; they are undergoing training so that they may give useful service to the country. When a farmer requires the services of one or two sons on the farm, a board established for the purpose makes a careful investigation of the circumstances and, where found necessary, young men are allowed to return to farm work. Of course, mistakes may be made now and again, but one cannot fairly judge the situation by picking out an individual case. From the little experience I have had in acting for parents, I have found that quite frequently men in the home defence army remain in training in preference to going back on the farm. That is an unfortunate situation from the farm-production standpoint, but we have to recognize it. I am informed by officials of the Department of National Defence that men are being released from time to time, and that about 5,000 have already been let out on compassionate grounds in order that they may assist their parents on the farm. While it might be well to have more men released for farm work, it seems to me that at this time, when we are facing the greatest crisis of the war, we should be prepared to reinforce our fighting men whenever the need arises.

Hon. IVA C. FALLIS: Honourable senators, I do not rise to take part in this debate at all, but rather to ask one or two questions resulting from the speech of the honourable member from Westmorland (Hon. Mr. Copp).

In the first place, he intimated that if the Government felt it was necessary to send reinforcements overseas the men now in the national defence army would be sent. But he added that the Government is not in a position to say whether reinforcements are necessary. I ask, if reinforcements are not necessary, why do we have speeches by Brigadier General Mess and other high military officials from time to time over the radio—

An Hon. SENATOR: Hear, hear.

Hon. Mrs. FALLIS: —calling upon the youth of this country to enlist because reinforcements are so badly needed?

My second question is this. The honourable senator based his defence of Government policy with regard to the home defence army

on the length of training given the men, and stated that men who have been trained for three or four years will make all the better soldiers. I submit if that is the case they are the men who should be sent overseas, and not boys of eighteen or nineteen years of age, who are being called up or asked to volunteer as soon as they come of age.

Hon. Mr. HORNER: After they have served only three months.

Hon. Mrs. FALLIS: If men who do not wish to go overseas or engage in industrial or farm work are to be kept in the home defence army year after year, what about the war with Japan? Prime Minister Churchill said in the British House of Commons the other day that the war with Germany will probably end this summer. Then are our soldiers who have borne the heat and burden of battles in North Africa, Sicily, Italy and on the beaches of Normandy to be asked to carry the fight to Japan, while members of the home defence army who have been in training camps in Canada for four or five years, fed and clothed at the country's expense, are asked to do nothing? I should like to know whether the honourable senator feels that one section of the community should bear all the heat and burden of combat, while the other section is kept here to do guard work, which, as the honourable member from Winnipeg (Hon. Mr. Haig) has said, veterans of the last war could and would gladly do?

Hon. Mr. BLACK: Honourable senators, if I am in order, I should like to make some remarks on Bill 132, and also on Bill 138.

My rather brief remarks will cover the two bills since they are both war appropriation measures.

Hon. Mr. HAIG: May I intervene? Does the leader of the Government intend to reply to the question of the honourable member from Peterborough (Hon. Mrs. Fallis)? We should like her question answered.

Hon. Mr. KING: We will let the debate proceed for the present.

Hon. Mr. DUFF: A lady always has the ast word, anyhow.

The Hon. the SPEAKER: I would point out to the honourable member from Westmorland (Hon. Mr. Black) that, unless he has unanimous consent, he must confine his remarks to Bill 132 now under discussion.

Hon. Mr. BLACK: Honourable senators, Bills 132 and 138 provide grants for war purposes.

The Hon. the SPEAKER: But Bill 138 is not on the Order Paper.

Hon. Mr. HAIG: I know, but the honourable senator is asking unanimous consent to deal with it when discussing Bill 132.

The Hon. the SPEAKER: Is it the unanimous consent of the Senate that the honourable member have leave to reopen debate on Bill 138?

Hon. Mr. BLACK: Honourable members, I do not wish to reopen debate on the bill, but merely to speak to it in general terms. I am satisfied that my remarks will not embarrass any honourable member.

Bill 138 provides for an appropriation of $800,000,000; Bill 132, for an additional appropriation of $3,650,000,000—or a grand total of $4,450,000,000. I do not intend to discuss any particular item or to criticize these grants, for we have to carry this war to a successful conclusion, and if the Government wants the money, and apparently it has demonstrated that it does, we must accept its assurance. I have no objection to the granting of necessary supplies for carrying on the war.

As to the Mutual Aid Bill 138, my assumption was confirmed in committee this morning that this is a bill similar to the bills passed last year and the year before.

Hon. Mr. KING: No, last year.

Hon. Mr. BLACK: The billion dollar grant to the British Government last year was for mutual aid.

Hon. Mr. KING: No, that was not a mutual aid grant to the British Government.

Hon. Mr. BLACK: I understand the Government does not intend to bring in legislation for a special grant, earmarked for the British Government?

Hon. Mr. KING: No.

Hon. Mr. BLACK: But this Mutual Aid Bill is, in a sense, the counterpart of that grant, because this mutual aid goes not only to the British Government but also to the governments of other nations which are in partnership with us in this war effort.

Hon. Mr. KING: I would remind my honourable friend that the billion dollar grant to the British Government did not come under the terms of mutual aid.

Hon. Mr. BLACK: No, I do not say so. But this Bill does in a sense take the place of the billion dollar grant of last year.

Hon. Mr. KING: Quite right.

Hon. Mr. BLACK: While this grant is not quite as large as that of last year, still it is a

huge sum. This impressive total of war appropriations for the current year cannot but help bring home to all Canadians the country's magnificent contribution to the war effort. I do not think it would be the duty of any member of this House—it certainly is not mine—to criticize the Government for these expenditures. We could easily pick out larger and smaller amounts of over-expenditure here and useless expenditure there; but I realize that when this Government or any other government is engaged in a war of the magnitude of the present one it is impossible under the exigencies of the situation to carry on administration as economically as under ordinary peacetime conditions.

Hon. Mr. COPP: Hear, hear.

Hon. Mr. BLACK: Therefore we must make allowances for the very great waste which takes place.

But I want to refer to the remarks of the speaker who has just taken his seat (Hon. Mr. Copp), and to the pertinent questions put by the honourable senator to my right (Hon. Mr. Haig) in reference to man-power. There is a considerable difference of opinion in Canada as to what should be done with the seventy thousand or seventy-five thousand men now in uniform in Canada. They have been very thoroughly trained by our training staffs. They have been trained not for peace, but for war. Unfortunately they were enlisted for service in Canada, not for service overseas. If those men had not been enlisted for service in Canada there would be no question in my mind about keeping them in uniform and making them available for service in any theatre of war; but in 1939 and 1940 there was a very apparent need of an army in Canada, and we did well to train an army for the defence of this country at that time. But I think that day has passed. I do not think we are any longer in danger of having our shores invaded by a foreign foe. Therefore, I ask, what are we going to do with these seventy thousand or seventy-five thousand well-trained men?

It is no secret that recruiting officers are going about this country from coast to coast, endeavouring to get men to join the Active Army, and that the officers of battalions in the Reserve Army have been asked to make an effort to get men recruited for service in Canada to enlist for service overseas. Unfortunately, the result has not been nearly as good as was anticipated. It is true that a considerable number of men in the Reserve Army have transferred to the active forces, but not nearly as many as the Government had hoped.

This brings us to the fact that we have a large body of well-trained men who, if they were to go overseas, would make just as good soldiers, I am sure, as our Canadians who already have gone. But apparently these men feel that because they enlisted for home service they have no duty resting upon them to go overseas. Now the question arises: Is it the policy of the Government to retain these men in uniform in Canada, highly paid, well clothed and well kept, when our man-power at the front is becoming shorter and shorter, scarcer and scarcer, year by year and day by day? If that is the policy of the Government, how are we going to meet the necessary requirements for this war, because this war and the fighting that Canada is going to do is only in its early stages. We have really just begun to have men on the fighting fronts, and as the war goes on heavy casualty lists cannot be avoided. If that is the policy of the Government, I strongly urge a change of policy. If these men in the home army, who are now trained, refuse to go active, then in my opinion it would be preferable to disband them and put into effect an active recruiting campaign, or, if necessary, conscription, in order to raise the necessary reinforcements for our men overseas.

It is true that there is a shortage of man-power in Canada; but if these seventy thousand or seventy-five thousand men were disbanded,—I am assuming they would not go overseas; I am told they have refused to do so—they would at least be of some use to our war effort if they were working on the farms and in the factories and offices, thereby releasing young men who in the meantime have been doing work from which they could not be released. No doubt the Government has given consideration to this idea. Nevertheless, there should be quick action.

Now I want to refer to another feature of this training. Men all over Canada are now being called up for two weeks' training at camp. This call-up includes not only young men, but men of 40 or 45, and men in category C or lower. They are asked to leave their occupations on the farm and in the factory, where they are valuable to the country, and go to camp and train for two weeks. Just before I left home I had applications from two men to see if I could get them excused from camp duty. One of these men was 42 years of age and physically unfit; he never would make a soldier fit for service overseas, or even for service in Canada. Three times he had offered himself for overseas service, but was turned down. This man has a very important job, and now he is asked to go to Camp Sussex to take two weeks' training, beginning,

I think, on the 15th of July. What is the purpose of this training? It is to fit him to go into the Army—something he can never do. Yet he is going to be clothed and fed and kept by Canada for two weeks, and he is going to be taken out of a useful occupation and be given a training which will not do him a bit of good.

Hon. Mr. BENCH: Will the honourable senator permit a question?

Hon. Mr. BLACK: Yes.

Hon. Mr. BENCH: Am I correct in assuming that the soldier to whom the honourable senator has just referred is a member of the Reserve Army?

Hon. Mr. BLACK: He is in civil life.

Hon. Mr. KING: A veteran.

Hon. Mr. BENCH: A member of the Reserve.

Hon. Mr. BLACK: I do not know whether he is a member of the Reserve Army or not. He is 42 years of age, is classified as medically unfit, and has a dependent mother 82 years of age. He is performing a very useful service in Canada's war effort where he is, and I cannot see the necessity of calling him up. That is an illustration of what is happening to many men all over Canada. I felt that I should call attention to it and similar cases.

Hon. Mr. BENCH: But am I correct in assuming that the soldier to whom the honourable senator has reference is not a draftee?

Hon. Mr. BLACK: No, not at all.

Hon. Mr. HORNER: What difference does that make.

Hon. Mr. BENCH: He is a volunteer member of the Reserve Army of Canada.

Hon. Mr. HAIG: The militia.

Hon. Mr. BENCH: Yes.

Hon. Mr. DUFFUS: Would it be possible that the man referred to is an instructor?

Hon. Mr. BLACK: No, it is not possible. He never was trained as an instructor; never had a corporal's stripe on his sleeve. I am sorry to say that these questions are not pertinent to this case. This man is going to be taken out of an occupation in which he is useful to his country and put into one in which he is not, and in which he will be maintained at the cost of the people of Canada. I think this condition should be corrected.

Hon. Mr. BENCH: He is doing it of his own free will.

Hon. Mr. BLACK: This same condition will be found throughout Canada.

Those are the only remarks I propose to make with regard to man-power.

Now I want to join with the leader of the Government and the honourable member from Westmorland (Hon. Mr. Copp) in paying tribute to the men in the armed forces. We have gone far since 1939; the United Nations have been exceedingly fortunate in the progress they have made.

There is no question that we have been particularly fortunate in our leaders. At least three great men have arisen in the world during this war. I refer first to the President of the great republic to the south of us, the United States of America. I should not be surprised if President Roosevelt were to go down in history as the greatest President the United States has ever produced. Another of these great men is Stalin of Russia. A few years ago we looked upon him with suspicion and fear; to-day he is a world figure. He has proved himself a great statesman and a great tactician. Finally I come to "the noblest Roman of them all," Winston Churchill of Great Britain, a man who has been and is the greatest political leader of our time. I doubt that history has ever produced a greater.

Now, speaking of our own men, I am not able and do not wish to make comparisons. One thing I can say, however, is that the men we have sent overseas are as good fighting men, as good soldiers as any nation in the world has been able to produce. Only a few short years ago these men—who came from the farm, the factory and the office, from the fishing fleet, the lumber camp and the mine—had no thought in their minds of battle and no training for military service or fighting; yet, in a few short years they have been turned into as fine a fighting force as the world has ever seen, and Canada has reason to be proud of every one of them.

They're the men who man the cannons,
They're the men who scout the sky;
They're the men who storm the beaches,
They're the men who do or die.
They're the men who win our battles,
They're the men who sweep the sea;
And with the help of the Almighty
They'll win final victory.

Every Canadian should be grateful and proud that we have such fine and valiant young men defending our country on the battlefields, on the seas and in the air. Our plain duty is to support them with every dollar we have and with every man who can be spared from essential work in Canada. There should be no holding back of financial

assistance nor of man-power for the reinforcements necessary to bring about complete victory.

Hon. J. H. KING: Honourable senators, I should like to say a word or two in reply to the honourable senator from Peterborough (Hon. Mrs. Fallis). To give a full answer to my honourable friend would take some time, and I feel it is not desirable or necessary to do that this afternoon. Anyone who wishes to review the manpower situation in Canada must start with the beginning of the war. In September of 1939 there was no doubt in the minds of our people as to whether we should take part in the conflict. Parliament and the people were almost unanimously in favour of the step that was taken. Now, it must be remembered that the Government had the advantage of the experience that had been gained in the handling of matters relating to the last war, and the endeavour has been to avoid such errors as were made at that time. I believe honourable members will regard that as a fair statement. It is not suggested that this Government is better than the one that was in office during the last war. The fact is simply that the Government has tried to do what reasonable people do in their everyday affairs, namely, to avoid repeating mistakes.

When the first great war began, Canada called for volunteers, but after a certain period it seemed that conscription was necessary. The matter was debated in Parliament, where it was decided that conscription should be put into effect, and that was done. No one who has had experience of those days will say that the conscription measure added to the effectiveness of this country's war effort. I mention that simply by way of saying that when this war began we had that experience to guide us.

Two years ago the Japanese were threatening our western coast and the submarine menace was a very real one. Ships were being sunk in the gulf of St. Lawrence, and off the coasts of Nova Scotia and New England—not merely one a day but sometimes many ships a day. Honourable members of this House who had ships in those areas then know how heavy the toll was. The people of Central Canada may not be familiar with these facts, but their fellow-citizens on the Pacific and Atlantic coasts were in no doubt as to the seriousness of the situation that then existed. The defence authorities and the Government realized that both coasts had to be protected. The Government knew, as everybody must have known, that among our population there would be some young men who could never be trained to make good soldiers, sailors or airmen, and who consequently would be of very little use in any armed service. Such young men are not peculiar to any race or any province; they are to be found everywhere in Canada. Again, there are men who would refuse to fight in Europe, but would respond quickly to any calls to repel an enemy from this country.

Hon. Mr. HORNER: Would they—

Hon. Mr. KING: Just a minute, please. We conscripted men for overseas service in the last war. Did they make creditable soldiers? Were many of them sent to the battlefields of France? A few of them got to England, but they did not make a very good showing. Many a young man has taken this position: "I do not want to go overseas to fight, but if the enemy should come to my own country I will fight." That attitude is not peculiar to any race. I know of young men who came to Canada from the Old Country within the last ten years and who say that they would not go back to Europe to fight, but that they would fight wherever required in this country.

As I say, it did become necessary to protect the shores of this country, and we passed a conscription measure—for that is what it is—which makes men liable for service for home defence. Under that Act a large body of men has been called up and trained. Many of these young men have volunteered for service overseas and have fought in Africa and Italy, and a considerable number of them are in France to-day. I am not drawing on my imagination; I am simply stating facts, which can be verified at the Department of National Defence.

The men in the home defence army are subject to call for service abroad should the necessity arise, and Parliament will have to be consulted as to that. I am not making that statement on my own authority; the statement has been made in another place, and there is no misunderstanding about it. Whether the men will at any time be required to serve overseas is a question that will have to be determined by the Government, acting in its best judgment and in the light of the requirements as set forth by its military advisers. Complaint has been made that officers are now going about and saying to these young men: "You are trained soldiers, and you had better go overseas." Well, is that not what you would expect a good officer to do? I should expect it.

The fact that the home defence army provides a pool of well-trained soldiers was shown not many months ago, when some of them were sent to the Alaskan coast for active service. It is admitted that they were among the best men that landed on the Aleutian islands. Before they and their American

comrades arrived, the Japanese troops had apparently got word of their coming and moved out, so we were fortunately spared any casualties. Our troops did not get a chance to show what they could do when faced with the enemy, but officers who had served in Europe say there could not have been better soldiers for that special duty than those who were trained especially for it in Western Canada.

As to the manpower question, we all know that that is always a problem in war-time, and even in peace-time. When there has been a boom, with a great deal of railroad construction and business activity in general, the farmer, the industrialist and all other employers, including housekeepers, have found difficulty in securing sufficient labour. Is there an honourable member who will stand in his place and say that it was within the ability of any individual or of any group of individuals so to arrange the manpower policy during this war that every Canadian would be put at the job for which he or she was best fitted, and that in consequence the public would be so well satisfied as to make no complaint? No honourable member will go so far as to say that.

It is true that we hear much complaint about the manpower policy. Yet we know that we have succeeded in building up three armed services—not one service only, as Canada had in the last war. No one has ever suggested that young men should be compelled to join the Air Force. It is commonly agreed that service in that Force must be voluntary. Similarly, no one has suggested that young men should be conscripted for the Navy. There again it seems to be agreed that voluntary service is to be preferred. But for some reason or other it is said that the compulsory method is necessary to obtain men for the Army. That attitude could be better understood if we had not been told that we have reserves to support our men in France and Italy. And we know that if these reserves should prove insufficient we can draw upon the pool of trained men in our home defence army, the maintenance of which has been criticized by my honourable friend opposite (Hon. Mr. Haig). I am satisfied that if my honourable friend had the information to which he is probably entitled—but information which is not given to him nor to me—he would probably commend the Department of National Defence for the course it is following.

My honourable friend from Peterborough (Hon. Mrs. Fallis) raised a question with regard to Japan. It is not for me to answer that question, for that has already been done. The Prime Minister of Great Britain has assured the United States Government that once the forces of Germany are defeated in Europe the whole power of the British fleet and other British forces will be directed against Japan. A similar statement has been made by the Prime Minister of Canada with respect to the armed services of this country. So why ask that question?

Hon. Mrs. FALLIS: I did not ask that question.

Hon. Mr. KING: I know what the implication was.

Hon. Mrs. FALLIS: I am sorry, but the honourable leader has misunderstood me. I quoted the Prime Minister of Great Britain as saying that the war with Germany might end this summer, and that then we should be fighting Japan. My question was this: If the Government of Canada pursues its present policy, as was intimated by the honourable senator from Westmorland (Hon. Mr. Copp), will the same group of men who have fought in Sicily, Italy and France have to go on to Japan, while the members of our home defence army are allowed to remain in Canada? I did not raise the question as to whether Canada would support the attack against Japan.

Hon. Mr. KING: My honourable friend is talking of Government policy, something of which neither she nor I can be fully advised.

Hon. Mrs. FALLIS: I did not mention Government policy. May I just say—

Hon Mr. KING: I understand the question thoroughly.

Hon. Mrs. FALLIS: My honourable friend has misquoted me, and this is the time and place to set him right. I did not suggest that Canada would not be fighting against Japan. I merely asked whether the same soldiers who have borne the heat and burden of the war in North Africa, Sicily and Italy, and are now fighting in Normandy, are to be expected to continue to bear the burden after Germany is defeated and the full military power of the Allies is turned against Japan. My honourable friend failed to answer that question and proceeded as though I had asked whether we intended to fight Japan.

Hon. Mr. KING: I understand my honourable friend's question, which is plainly put. The Canadian Government, along with the British Government, is committed to assist, not only the United States, but other Allied Governments, in continuing the war against

Japan until she is utterly defeated. What soldiers shall go from Canada or from Great Britain, or what portion of the Navy or the Air Force shall be sent to fight Japan, are questions that must be left to those who are fully conversant with military matters. My honourable friend knows that our Army is a volunteer army, and that such an army is always eager to go where fighting is to be done, if they think the cause is just. The Government has absolute confidence in the fighting spirit of our young soldiers, and consequently is not worried lest on their return from Europe they may say: "We have beaten Germany to her knees. We do not care about fighting Japan." Our young men are fighting for a just cause, and they are determined to see that that cause is triumphant,—

Hon. Mrs. FALLIS: I did not raise that point at all.

Hon. Mr. KING: —and that peace is established in the world.

Hon. Mr. ASELTINE: Those soldiers will not have a word to say about it.

Hon. Mr. KING: We must leave the Government and its advisers to decide what forces shall be sent to carry on the war against Japan.

As to the question raised by my honourable friend from Westmorland (Hon. Mr. Black) with regard to militia camps, he as a veteran military man must know that even before Confederation we had a militia force. To some of us non-military men it may seem rather unnecessary that these camps should be continued during the war period, when large bodies of men are being trained for active service. I asked the Department a similar question. The answer is that the commandants in the various districts have found it advantageous to continue militia training camps in order to maintain the morale of the public and keep it interested in military matters. As to the instance cited by my honourable friend, I believe that if the man in question will go with his aged mother and state his case to the commandant in New Brunswick, the order to attend camp will not be insisted upon.

Hon. Mr. BLACK: May I say that the young man to whom I referred did make application to be relieved from attendance, and he received a reply, signed by the adjutant of the battalion to which he had been called, saying that he could not be excused and must report by July 15.

Hon. Mr. KING: I shall be glad to bring the case to the attention of the Minister. I cannot conceive of such a thing happening.

Hon. Mr. HAIG: The honourable leader opposite has not yet answered the question of my honourable friend from Peterborough. She cited the statement made over the radio by Brigadier General Mess that about 40,000 men were needed for overseas reinforcements, and she asked: Why call up men without any training at all for overseas service, when we have 70,000 highly trained draftees?

Hon. Mr. KING: That question has been answered, and effectively. We have the voluntary system for overseas service; we have conscription or enlistment for home defence. Many men in the home defence army are today enlisting and going overseas. But we must also continue to enlist volunteers for overseas service. My honourable friend complains of boys of 18 and 19 being accepted for active service. The experience of military men is that youths of that age can be more readily trained than men of 25 or 26 years of age. These youths are being called up in this country, as in the United States and in all other Allied countries. I think I have answered my honourable friend. Her question does not relate to the whole war picture.

Hon. Mrs. FALLIS: My question was based on the statement by the honourable member from Westmorland (Hon. Mr. Copp), that if the Government needed reinforcements it would send overseas men of the home defence army. My question is: If reinforcements are not required, why should Brigadier General Mess have stated over the radio that 40,000 men are needed for overseas reinforcements. I cannot reconcile the two statements.

Hon. Mr. KING: My honourable friend must leave that to the judgment of Department of National Defence officials who are advising the Government in this matter. I am confident that were my honourable friend administering that Department she would not for one moment take the responsibility of saying that since we have 40,000 men sufficiently trained for overseas service, we will not enlist any more.

Hon. Mrs. FALLIS: That was not my point.

Hon. Mr. KING: But we know these men will be available when the occasion arises. My honourable friend referred to two or three great leaders of the Allied nations. Let me accord myself the privilege of referring to a fourth—Right Honourable Mackenzie King. He has given Canada brilliant leadership

throughout the war years and is respected by the public men of the United States, Great Britain and the other Allied countries. I do not hesitate to say that we as Canadians would be depreciating ourselves if we failed to recognize this outstanding leader.

I do not wish to pursue the matter further, for I am anxious that this Bill should be given second reading, after which, I suggest, it should be referred to the Special Committee on War Finance.

Hon. R. B. HORNER: Honourable senators, in view of some of the remarks of the honourable leader opposite (Hon. Mr. King), I wish to say a few words. The honourable gentleman challenged any member to tell him whether conscription was necessary or worked to the advantage of the Army in the last war. I am one person who is prepared to say that it did, and that it was absolutely necessary for the morale of our men then fighting in France.

Hon. Mr. KING: I did not challenge my honourable friend.

Hon. Mr. HORNER: Let me say now just as plainly as I can that I do not see why we do not raise our Army for overseas by lot as is done in the United States.

An Hon. SENATOR: Why not stick to the Empire?

Hon. Mr. HORNER: That is a much better way than shaming and bludgeoning men into the active army. What kind of fighting men do you expect to get by such means?

Hon. Mr. KING: There is no question about our fighting men.

Hon. Mr. HORNER: Men in the home defence force are bludgeoned into the active army. Why not secure them manfully and openly? Are the men satisfied? Look at the soldier vote in Saskatchewan. Take the vote of our men who are already overseas. Are they satisfied?

There is another point. In view of the criticism of the acting leader on this side (Hon. Mr. Haig), I should like the Government, when resenting criticism, to bear in mind that Canada is the only Allied country carrying on war with a party Government and that it is not only our right but our duty to offer a little criticism now and then. Criticism should not be resented. This war, so far as Canada is concerned, is being conducted by a party Government, on party lines, and if you offer any criticism you are apt to be accused of hampering the war effort.

Hon. Mr. KING: No, no.

Hon. Mr. HORNER: Let me repeat, I have all along been in favour of conscription as the only way of conducting war. When you get into a fight you don't go into it with one hand tied behind your back.

Hon. Mr. LAMBERT: Did the honourable senator express that view as plainly in the campaign of 1940 as he does here to-day?

Hon. Mr. HORNER: I bow my head in shame when I say that I did not take any part in that campaign. I was told that members of the Senate were not supposed to take part in politics. Nevertheless, we have evidence that an honourable senator on the other side acted as campaign organizer in war-time.

Hon. Mr. LAMBERT: The honourable senator will agree, I think, that 1940 would have been a better time to express that view.

Hon. Mr. HORNER: That may be, but in this Chamber I have never hesitated to declare my attitude.

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

CANADIAN HISTORY—UNIFORM TEXT-BOOK

DEBATE CONTINUED

The Senate resumed from Wednesday, June 21, the adjourned debate on the motion of Hon. Mr. David:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians, as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments in all schools under their direct or indirect jurisdiction or control.

Hon. P. R. DuTREMBLAY: Honourable members, by his resolution, the honourable senator from Sorel (Hon. Mr. David) suggests that a group of Canadian historians in each of the provinces be asked to devote the necessary time to the preparation of a uniform text-book of history for Canada. This would give the different boards of instruction in this country a new text-book of history for acceptance by each province. The proposition would be made at the next meeting of the Dominion-Provincial conference to be held in Ottawa at some later date.

The resolution and the eloquent speech delivered by its sponsor and the interesting debate which followed have aroused the interest of many newspapers and reviews throughout the country. Problems which might arise if such a manual were published are being discussed.

This idea is not entirely new, for some years ago the Association of Education of Canada and Newfoundland decided to have a history of Canada written by the best historians of the provinces. Four provinces agreed to engage in the enterprise, but the war prevented its realization.

There is no doubt that the adoption of such a manual would be a delicate innovation. It is an important question. Any manual of history has a powerful effect on the minds of young people, and it is most essential that the text-book placed in their hands is the proper one.

Would such a manual be sufficient and acceptable for each and every province? Is it reasonably possible to hope that the group of historians of Canadian History, although well disposed, could arrive at the writing of such a book? Would they all approve of the same version of certain contentious events of our history which would necessarily have to be written? And would such a version be accepted by the educational authorities of each of the provinces?

Many claim such an enterprise to be Utopian, and that we should not entertain hope of its realization. But before discussing this angle of the problem, I would draw the attention of this honourable Chamber to the opposition which this resolution has aroused in many quarters. A few weeks ago it was discussed in the Quebec Legislature. The chief of the Opposition was emphatically against uniformity and, according to a report of the debate which appeared in a Quebec newspaper, he asked the Provincial Secretary, Honourable Mr. Perrier, how he intended to arrive at a uniform Canadian history. Mr. Duplessis said:

> As for myself, I never heard about this before. If the Secretary of the Province thinks he can pour all Canadian souls into the same mould, he is greatly mistaken. The uniformity of history is an impossibility.

Mr. Perrier then gave the following answer:

> When I spoke of the history of Canada, I said it was not complete because it does not give to the populations of the other provinces the notion that would inspire and create a true Canadian spirit. It does not speak enough of the role we have played in this country, when it should impress upon the minds of young Canadians the efforts that were made by the French and the English of this land.

Mr. Perrier goes on to say that if we want to progress in harmony, we must put aside all prejudices of race and religion, and that the only way we can attain this goal is by the teaching of a complete history. Other honourable members of that House took part in the discussion, and at its conclusion, Mr. Perrier said:

> History is true in itself. It is the manual which is at fault. We desire to have a generation that will not have the prejudices which we possess because of the poor teaching which we receive in the history of our country.

A Resolution was adopted by the Knights of Columbus, Lafontaine Council, at their regular meeting on 13th June last, favouring the resolution presented to the Senate by the honourable senator from Sorel (Hon. Mr. David). They also resolved that the Prime Minister of the Province of Quebec be informed of their position, and expressed the hope that the resolution of our honourable colleague would be supported by him at the Interprovincial Conference.

In a review called "Relations", printed in Montreal, I read a very interesting article on this question. This was analysed by the Montreal Gazette, as follows:

> Senator David's recent proposal for one history text-book for all Canadian schools was brought up by Press Information Bureau in a recent bulletin. The idea has stirred up just as much lively criticism as it has support. All nationalist newspapers and speakers have shown themselves resolutely against the plan. Among these latter, we must quote the article in "Relations", which, contrary to so many of the others, has shown a somewhat moderate tone by asserting that "so long as English and French Canadians do not feel that Canada is their fatherland, the whole of Canada, and nothing but Canada, national unity is not possible." In order to justify its stand against a single textbook for history teaching, "Relations" relies on the following arguments:
>
> Several countries where a wide liberty of history teaching is allowed—and teaching of the rest also—have realized a profound unity of action and thought. England and Scotland each has its own educational system. The Stuart Odyssey is not told in the same way at Edinburgh as it is at Oxford. Just the same, Scots and English understand each other perfectly in forming the United Kingdom. Among our neighbours, education is a matter for each state. The 48 contracting parties have never experienced the need for imposing one single conception of their history. The southerners have their version of the War of Secession, which is not the same as that held by the Northerners. But Northerners and Southerners, Californians and Bostonians are as one in their common love of their fatherland. In Switzerland two religions are to be met with; three cultures face each other; 25 cantons and demi-cantons cut up a country which might stretch between Quebec and Montreal, and share in a population of 4,000,000, one-third of Canada's, a little more than that of Ontario or Quebec. Switzerland has 25 educational

systems, and each department looks after in its own way the organization of history teaching. . . .

Several associations in the province of Quebec have signified their opinion against the resolution now before this honourable Chamber. So honourable members of the Senate may see for themselves that this suggestion does not meet with the unanimous approval of our population. Personally, I do not agree with the resolution, as written. It should be amended to restrict the scope of this manual to the principal events of our Canadian history, leaving to each province the task of completing it as it sees fit.

How can we arrive at the writing of a history that would be sufficiently complete in itself to be useful and satisfactory to each and every province? I do not believe it possible. This manual is supposed to serve in the primary school for pupils up to the age of, say, 16 or 17 years. Many of these young people, probably the great majority of them, will gain their only knowledge of Canadian history from this manual, because after that age they generally leave school forever. Would the educational authorities of each province be satisfied to leave their students with only the knowledge acquired from such a book? I doubt it. There is no doubt that each province is anxious to have its children receive a knowledge of the history which relates to their own ancestors.

We have in this country two important nationalities, English and French. I repeat that I believe that each province would want to enlarge on certain facts of history which would appeal specifically to them, and which they would consider necessary to keep up the spirit and maintain the mentality of their peoples. Each province will desire, no doubt, to insist that the first love of their people be for Canada. At the same time, they will want to inculcate in their minds a pride in their origin. Some provinces will desire to add certain important facts of history written on this soil by their forefathers. For instance, I venture to think that Nova Scotia will want many pages written on Scotland and the part it played in the establishment of that province. Ontario will want to say much on the history of the Loyalists who contributed to the foundation of that province. The great establishment of Lord Selkirk in Manitoba would fill many pages which would be of interest to some of the Western provinces, and similarly, the province of Quebec would insist upon its children being well acquainted with the history of their ancestors in the then New France. All this is right. It should be the aim of each nationality in this country to maintain all its traits and characteristics, for these are of great value to the country as a whole.

Hon. Mr. HAIG: Will the honourable member permit me to ask him a question about a point that is troubling me? Would it not be better if the boys and girls in Manitoba knew fully as much as those of Quebec about the founders of New France; and, in turn, if the boys and girls in Quebec were as well informed as those of the West about Lord Selkirk's settlement in Manitoba?

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVID: There is no doubt that it would.

Hon. Mr. DuTREMBLAY: I shall try to answer that question as I go along. Diversity has its merit and advantages and does not impair national unity. The first thing that should be taught children is a spirit of patriotism, and we must see to it that our teachers are properly qualified for creating in their pupils a love of this country. Therein lies a question of importance. As we say in French, "Autant vaut le maître, autant vaut l'instruction."

If we succeed in creating a text-book as proposed by my honourable friend from Sorel, it will be useful only to a certain degree. It will never be a complete history of Canada and its provinces. It will not cover sufficiently the requirements of each province. To achieve that goal would necessitate a volume of 600 or 800 or perhaps even 1,000 pages.

Hon. Mr. MOLLOY: May I ask my honourable friend a question? Would not a history text-book based on the truth be a good one for the whole of Canada?

Hon. Mr. DuTREMBLAY: I was simply pointing out that a text-book which would meet the requirements of every province would run to perhaps 1,000 pages. This would not be practicable. Such a voluminous book could be employed usefully in high schools, but not in primary schools. I am not opposed to the spirit of the motion, but I want what is done to be practical. In my opinion the only practical course would be to have a manual covering the principal events of history in a general way, and to leave it to each province to add what it felt to be necessary for use in its own schools. Such a manual would be practical and acceptable to every province. It would contain facts which each province considered it necessary to teach its own people in order to ensure the maintenance of the spirit of patriotism to which I have referred. The manual would of necessity be incomplete. As I have said, nothing short of a text-book so volumin-

ous as to be impractical could contain a complete history satisfactory to every province.

The intention of the honourable senator from Sorel is meritorious, but we must consider this question from all angles and weigh the advantages of his proposal from the point of view of the various provinces. I am sure my honourable friend has no desire to introduce a manual which would curtail the teaching of complete history in our schools. Well, I repeat, no history text-book would be acceptable and practical unless part of it were written in conformity with the requirements of each province in which the book is to be used.

Honourable senators, let me say in conclusion that I am opposed to this motion as it is worded, for I understand by the wording that the honourable mover has in mind a uniform and complete history for every province. If this proposal were put to the forthcoming Interprovincial Conference, I presume that it would not be acceptable to all the Prime Ministers. I am under the impression that the first condition imposed by them would be that the uniform text-book should contain an outline of general history, and that to the respective provinces be left the responsibility of adding the material required to ensure that their residents retain all their own characteristics.

Hon. Mr. DAVID: Would the honourable senator allow me? Does he mean to say that when the Prime Ministers of the various provinces meet at Ottawa they will not then make a distinction between a text-book and a complete history of Canada?

Hon. Mr. DuTREMBLAY: I say that a complete text-book as proposed in the motion would not be practical in every province.

Hon. Mr. DAVID: Will the honourable senator allow me again? Is there in the motion anything that would prevent a teacher of history, in any Canadian school, from making his own comments upon any historical fact?

Hon. Mr. DuTREMBLAY: No; I did not say there was. The honourable gentleman's purpose, as I understand it, is to have prepared a uniform history text-book for use in all the schools of Canada. The complaint is made that in certain provinces the children are not told enough about the history of French Canada, and that in at least one province the children are not sufficiently informed as to the history of the rest of the country. The honourable gentleman's object is to make a contribution towards national unity. Then, let us try to get a text-book that will be practical and acceptable in every province. In my opinion the only kind of text-book that would meet these requirements would be one outlining the great events of history; and every province should be left free to add what it considers necessary for its own individual use. A manual of that kind would be very valuable, and if we succeeded in having it introduced in the schools we should have accomplished something.

It is often said that this country is rich because of the varied contributions made to our national welfare by our different nationalities and groups. Let us, then, maintain our different characteristics.

Subject to the restrictions and conditions that I have specified, I am in favour of the motion.

On motion of Hon. Mr. Vaillancourt, the motion was adjourned.

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

THE SENATE

Friday, June 23, 1944.

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

Prayers and routine proceedings.

SUSPENSION OF RULE

MOTION

Hon. J. H. KING moved:

That Rule 24 (b) be suspended in so far as it relates to the following Bills:

Bill 132, an Act for granting to His Majesty aid for National Defence and Security.

Bill 136, 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 1944, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

The motion was agreed to.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Honourable Thibaudeau Rinfret, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 5.50 p.m. for the purpose of giving the Royal Assent to certain bills.

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented the report of the Standing Committee on Banking and Commerce on Bill 136, 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 1944, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

He said: Honourable senators, this Bill has been considered by the Committee and is reported without amendment.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: I would move the third reading now.

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

WAR APPROPRIATION BILL No. 2

REPORT OF COMMITTEE

Hon. J. E. SINCLAIR presented the report of the Standing Committee on Finance on Bill 132 an Act for granting to His Majesty aid for National Defence and Security.

He said: This Bill is reported without amendment.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: I would move the third reading now.

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

HON. IVA CAMPBELL FALLIS

BIRTHDAY FELICITATIONS

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, may I be permitted, on behalf of all honourable members on this side of the House, to extend heartiest congratulations to our honourable friend from Peterborough (Hon. Mrs. Fallis)? We greatly admire her and appreciate her presence in this Chamber; and it is a special pleasure to see her among us this afternoon with a very beautiful bouquet—indicating, I suppose, a birthday. I would ask the honourable senator to accept our sincerest felicitations.

Hon. JOHN T. HAIG: Honourable senators, on behalf of honourable members on this side of the House, I have much pleasure in conveying to our honourable colleague from Peterborough hearty congratulations upon the attainment of her thirty-ninth birthday. I take it that she must be thirty-nine, for one cannot become a member of this Chamber before the age of thirty, and it is now nine years since she first came here. Prior to her appointment, those of us who used to visit the Senate galleries—I was not a senator then—observed how the other side of the House was graced by the presence of the honourable senator from Rockcliffe (Hon. Mrs. Wilson) and wondered whether the day would come when a lady of equal distinction would grace this side. That day did come when our honourable friend from Peterborough was summoned to the Senate. We on this side feel very happy at having her as one of our number. Her high mental qualities would appear to be constantly improving: she can make a speech or ask a pertinent question that puzzles even those of us over here, to say nothing of honourable members opposite. In offering her our hearty congratulations, may I add the assurance that, next to her husband, her strongest admirers are her colleagues on this side of the House.

Hon. IVA C. FALLIS: Honourable senators, I deeply appreciate the kind remarks of the honourable leader of the Government (Hon. Mr. King) and also those of the honourable acting leader on this side (Hon. Mr. Haig)—I am very glad that he did not pursue his calculations further, and was not too accurate in his arithmetic.

Some Hon. SENATORS: Oh, oh.

Hon. Mrs. FALLIS: As I gazed on these beautiful roses in delighted surprise, they reminded me of a day six years ago when I also celebrated my birthday here, and Right Honourable George P. Graham—whom I shall always hold in affectionate remembrance—led the House in offering me appropriate congratulations. May I again assure honourable members how deeply I appreciate this kindly gesture. I thank you all.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. COPP, on behalf of the Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill D5, an Act for the relief of Eugène Charron.

Bill E5, an Act for the relief of Lillian Bessie Noall Salmon.

Bill F5, an Act for the relief of Joan Helen Gorham Glover.

Bill G5, an Act for the relief of Elsie Hollingsworth.

Bill H5, an Act for the relief of Louis Joseph Jules Laurencelle.

Bill I5, an Act for the relief of Freda Altman Scheien.

Bill J5, an Act for the relief of Ivan Walter Moore.

SURPLUS CROWN ASSETS BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 137, an Act respecting Surplus Crown Assets.

He said: Honourable members, in explaining this Bill I shall have to recount what the Government has been doing in regard to the subject-matter of the Bill during the past three or four months.

In order that Canada might carry out her war policy as laid down by the Government and confirmed by Parliament, it has from time to time been necessary for the Government to acquire for war purposes various assets, such as lands, buildings, ships, tools, raw materials, and even the necessities of life. Some of these assets have since become surplus assets from the point of view of ordinary departmental requirements. A few months ago the Government decided to dispose of such surplus assets, and by Order in Council set up a committee composed of senior civil servants—Deputy Ministers and Assistant Deputy Ministers—from the three Departments of Defence and the Departments of Public Works, Pensions and National Health, Munitions and Supply, Trade and Commerce, and Finance, as well as representatives of agriculture, labour and consumers. On instructions from the Government, anything in a department that is found to be in excess of its requirements is reported to this committee. If the committee finds that the surplus in one department may be of material use in another, a transfer to that other department is recommended. If, however, any surplus assets are found to be of no further use to the Government service, the committee recommends their disposal. In the meantime the Minister of Munitions and Supply had set up a corporation known as the War Assets Corporation. After the committee reports to the Minister that surplus assets be sold, the Minister, on the recommendation of Council, instructs the Corporation to dispose of them at the highest price. The committee also advises the Government what priorities shall be given to provincial and municipal governments or other public bodies for the purpose of aiding in the disposal of surplus assets to the public generally.

This practice has been followed for the last three months, and the Government is so well satisfied with the work of the committee and the Corporation that it has decided to continue their services; but since these bodies are functioning under the War Measures Act, this legislation is necessary to enable the disposal work to be continued in post-war years.

The several clauses of the Bill are self-explanatory, so I shall not discuss them in detail. I would suggest that the Bill, after it is given second reading, be referred to the Committee on Banking and Commerce, where certain departmental officials will be in attendance to furnish full information to honourable members.

Hon. Mr. DUFF: Is there any objection to setting forth, confidentially or otherwise, the names of those who compose the committee?

Hon. Mr. KING: I have not their names, but, as I have indicated, the committee's principal membership is drawn from the Deputy and Assistant Deputy Ministers of the various departments concerned with the disposal of surplus assets. As to the Corporation, Mr. Carswell is Chairman, and he will be President of the new organization. He has been associated with the Government since the early stages of the war, and at present is Director-General of the Washington office of the Department of Munitions and Supply.

A contractor, he has had wide experience in purchasing various materials, and is familiar with the avenues for disposal of surplus assets. On the recommendation of the Minister, the names of the other members of the Corporation will be submitted to the Government for acceptance or rejection. I understand that the Government intends to reappoint the present committee.

Hon. Mr. GRIESBACH: Is there any provision for publicity in regard to what will be offered for sale? How will the public be informed?

Hon. Mr. KING: I have no doubt there will be the fullest publicity. The Bill provides for the setting up of sub-committees, to be located in various parts of Canada. Any of the surplus assets that cannot be utilized will be converted into scrap and sold at prices under the control of the Wartime Prices and Trade Board. If material can be reconditioned, this will be done by the Corporation, and in

its reconditioned form it will be shipped to various parts of Canada for sale to the public. There is a very large quantity of material to be disposed of, and its disposal will continue for some years. In order that the business may be considered more or less distinct from government business, the set-up of the Corporation will be similar to that of the National Harbours Board and the Canadian Broadcasting Corporation. True, there will be contact with the Minister and with the Governor in Council, but the Corporation will devote its time to selling these surplus assets to the best possible advantage.

The Minister has intimated to the other House that, with the object of trying to prevent the flooding of one country by goods from another, conversations have already taken place with the governments of the United States and Great Britain in regard to the disposal of war assets. It is hoped that arrangements may be worked out so that the respective governments will receive the best possible value for their surplus assets.

Hon. Mr. HAIG: Did the Minister say what would happen to the airfields all across this country? Are they included in the disposal too?

Hon. Mr. KING: They would be.

Hon. Mr. HAIG: Would he also be able to inform us, when the Committee meets, as to what assets still remain in Canada? I do not mean that he should give us all the details. I know that in certain places these assets have been piled up for a year or more. Are they to be used or to be sold?

Hon. Mr. COPP: That will be decided by the Corporation.

Hon. Mr. KING: It is part of the duty of the Corporation to make investigation and advise the Government. The Government has indicated that action is being taken in this matter so that the sale may take place. As to the amount and so forth, I am not qualified to make a statement; it has been estimated at some $800,000,000. In the press there has appeared an estimate of three billion dollars, and one as high as ten billion dollars. I think these estimates are exaggerated, but I believe that in the Committee we can obtain information that will clarify the matter to the satisfaction of my honourable friend.

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.

CANADIAN HISTORY—UNIFORM TEXT-BOOK

DEBATE CONTINUED

The Senate resumed from Thursday, June 22, the adjourned debate on the motion of Hon. Mr. David:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians, as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments in all schools under their direct or indirect jurisdiction or control.

(Translation)

Hon. CYRILLE VAILLANCOURT: Honourable senators, may I be permitted to offer our colleague from Peterborough (Hon. Mrs. Fallis) my best wishes and those of my Quebec fellow-citizens. We are happy to extend to her our greetings on the occasion of her birthday.

I am not an expert in pedagogical matters, and it was not my intention to speak on the motion of our colleague from Sorel (Hon. Mr. David), but after the speech delivered on Wednesday by the honourable senator from the Laurentides (Hon. Mr. Bouchard)—and I regret that he is not present now—I deem it my duty to participate in this debate.

The desirability of having in Canada a single history text-book which could be used in the schools throughout the country, is a moot point. Some believe that the plan would be impossible to carry out; others consider it excellent. So far as I am concerned, I lack the necessary pedagogical qualifications for passing judgment on that matter.

If any one will read again the motion of the honourable senator from Sorel, he will have no doubt about the spirit in which it was made; it is a spirit of good understanding, harmony and co-operation. What is the object of this resolution, if not to make the Quebec people aware of what has been done outside Quebec and to let other provinces know what we and our forefathers have done to establish, build up and develop Canada, our common motherland? If Canadians knew and understood one another better and had a better knowledge of what has been done by all for the motherland, would there not be among them more harmony as well as a greater and more constructive unity?

Unfortunately, I am afraid the speech delivered by the honourable senator from the Laurentides will not be of much help in the attainment of that objective. On the contrary, I fear that it may do much to aggravate among Canadians the division which should disappear in the national interest. What amazes me—of course, I come from Quebec—is the importance the Press has given to that speech. If it had been delivered in our province it would have caused us little surprise. We have known our colleague for twenty-five or thirty years, and we are used to his outbursts and his exaggerations. But I am alarmed at the importance that has been attached to his statements outside our province. When our honourable friend spoke about secret societies, I wondered whether there might not be somewhere a secret organization interested in sowing the seeds of discord.

I quite readily admit that there are among us people who are prone to exaggerate, but I do not believe that such people are to be found only in Quebec. There are also in other provinces people who exaggerate, who have no sense of proportion. However, I do not wish to venture too far on that ground, because we know that those are exceptions and that no general rule can be based on isolated facts. For instance, do the attacks which are launched every Sunday by a certain pastor against the province of Quebec, and which are reported the following day in a certain publication, represent the feeling of all Canada? No; far from it. If they did, there would be practically no hope. Once again, I agree that amongst us there are people who exaggerate, but we must not base our judgment of the situation as a whole on individual cases. My honourable colleague from the Laurentides said to me the other day, "Did I not tell the truth?" "Maybe so, to a certain extent and in some respects," I answered, "but you have quoted a few words uttered by one man, taken an excerpt from one speaker, borrowed a passage from a book, and a few extracts from some magazine or other, and you have loosely knit together all these ill-assorted patches, and finally you have made an incendiary torch which you have hurled across the country. That, to me, seems very dangerous."

Napoleon it was, I believe, who said one day, "Give me three words in a man's handwriting and I will have him hanged." Is that not the kind of thing that happened here on Wednesday? Yet, I should not want to give tit for tat by using similar methods, because to do so would be no less reprehensible. May I mention, instead, an incident which concerns me personally and which will show that exaggeration is not all on one side. A few months ago one of my Caisses Populaires inspectors happened to be in a parish close to the American border. His day's work over, he came back to the hotel for dinner, and around ten o'clock went up to his room. About thirty minutes later he heard a commotion beneath him, caused by anywhere from two to ten persons carrying on a conversation. Then, a gavel struck the table, and silence ensued. Next, he heard a voice saying: "A Caisses Populaires inspector is here; now, these bodies are trying to organize the French-Canadians so as to guarantee them economic independence. That must not be tolerated. We shall put a stop to the activities of all the groups we can prevent from operating, in order to crush these Caisses Populaires and keep the French-Canadians from attaining economic independence."

When I was told the story, I paid no attention to it. The world continued its course as before. This is the first time I have mentioned the incident, and I do so only to show that fanaticism is not all on one side. Since then our Caisses Populaires have developed and expanded, and I hope they will continue to prosper, for the greater good of my own people and for the prosperity of the whole of Canada.

It is not permissible to consider a few isolated cases as the general rule. Such a procedure would be far too dangerous. It is no doubt possible that among us there may be, as in the midst of every group everywhere, a few fanatics, visionary, exalted and quixotic people. Among the twelve apostles, although they had been chosen by the Son of God, one proved unworthy of the trust reposed in him.

You, my English-speaking colleagues, have a great quality and I often point you out as an example to my children, to whom I say, "When one of you has something against his brother, try to settle the matter between yourselves, and do not wash your dirty linen in public." You have your own faults, just as we have ours, but you settle your quarrels privately. I congratulate you upon that. It is a factor of strength; and I hope my fellow-citizens realize that the best way to correct an error, to make good an omission, to redress a wrong, is to be constructive, to attempt to build up instead of to pull down. I say "to build up"; but my honourable colleague's speech, it seems to me, is negative. When a house is being built, the stones must be carefully placed one on top of another and well bound together by a good cement. You cannot erect a building by throwing stones here and there, without even taking the trouble of mixing the mortar. So it is with a people, a nation: to build it, you require good will,

charity, co-operation and friendly understanding: without these prerequisites no nation can live, prosper and grow.

A re-reading of my honourable colleague's speech brought to my mind the picture of a public speaker on the hustings wishing to bring discredit on our whole educational system, and especially on the religious educators, of our province.

Since the debate is on a motion concerning the teaching of history in Canada, let us recall a few historical facts. In 1760 when conquered France abandoned us, we were only about 60,000 people of French stock in Canada. We had neither professors nor legal men to give us leadership. But we did have someone: in each parish there was a man to defend our interests, the country parish priest. He has been our sole educator for many decades. It was he, I must add, who, after having taught us to love our country, urged us to defend it and keep it for the British Crown, in 1812.

We are the descendants of those brave people who on several occasions saved Canada, and if we can prove ourselves worthy of our forefathers, it is because of the education and training given to us by our religious and lay teachers. I wish to pay the most sincere tribute to our parish priests, to our clergy, to our educationists who have helped us to survive in this land of America, and to maintain. in Canada, French civilization and culture.

The following phrase, coined by a man who had gained some measure of fame in his time, was quoted: "Learn English, but do not learn it well." I shall quote another, from one of our distinguished men, Honoré Mercier, who, in 1890, at the distribution of awards at the Quebec Academy, said to the young graduates: "Learn English, learn it as quickly as possible, and learn it well." Honoré Mercier was then a leader among our people.

At a time when the people of the whole world are striving to enlist the energies and good will of all men, when efforts are being made to ensure the triumph of the Christian spirit, the spirit of charity, I feel we should do our utmost to foster that Christian spirit of fraternity, mutual help and love. As has been said is it not true that Christianity is now struggling against paganism? Well, Christianity is based on charity, the love of God and the love of our neighbour. I believe that instead of listening to the isolated and discordant voices of persons devoid of any authority, we should heed the advice of wise and level-headed men, and get together to promote a spirit of co-operation, mutual assistance and fraternity.

I do not believe those who claim that fascism is rampant in Quebec. For thirty years I have listened to the speeches of my honourable friend, and he seems to be labouring under the fear of certain associations, especially of secret societies. Fear not! Subversive movements will not spring from Quebec. Our province is still the last bulwark of stability, loyalty and faithfulness. Do not be afraid of Quebec; you will always find there common sense and moderation. A famous man, whose name I do not recall at the moment, said: "The last shot fired in America for the defence of the British Crown will be fired by a French-Canadian." Indeed, to us Canada is our mother country.

You have been told about all kinds of imaginary dangers such as subversive movements allegedly launched with the connivence of the clergy. I look at what is happening in my own province. What has my Archbishop, His Eminence Cardinal Villeneuve, done since the outbreak of war? Has he done anything, uttered a single word that might jeopardize victory? On the contrary, as recently as last week he requested his clergy to offer public prayers every evening for victory and peace. His authority is respected in our province. Some may hold different opinions; that may happen in our province as everywhere else; but all should know what respect and prestige such an authority enjoys among us.

We are now fighting on French soil. The other day, I heard over the radio that Major Hugues Lapointe, the son of one of our greatest Canadians, had distinguished himself, at the head of his men and in the company of British and American troops, in the liberation of France. Major Sauvé, the son of our late lamented colleague, who was with him, and Major Triquet, V.C., afford additional examples to show what we are. These are no idle statements. These men are doing deeds which prove the worth of their race and the merit of the educators by whom they were schooled. I would rather quote such noble examples than spread vague charges that engender disunion.

I read in two newspapers this morning that the speech delivered on Wednesday in the Senate was an evidence of courage. To my mind, courage consists in forging ever ahead, against all opposition; in building up and developing, not in destroying. Destruction is easily wrought. Constructive work is much more difficult and requires much more time.

In conclusion, I wish to say this to my colleagues: If history cannot, some day, be taught throughout Canada from a single text-book, let ten text-books be prepared, if need be, but at least let all young Canadians have an opportunity of learning what we have done, not in order to destroy our country but, on the

contrary, to develop it and make it greater, happier and more prosperous, to the end that we may all join in the heart-felt cry, "Long live Canada."

Hon. Mr. MARCOTTE: Honourable senators, I understand that some of our colleagues wish to speak to this motion at a later date, and I would therefore move the adjournment of the debate.

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

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I would move that when the Senate adjourns to-day it stand adjourned until Tuesday, June 27, at 8 o'clock in the evening.

The motion was agreed to.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

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

An Act respecting Gore District Mutual Fire Insurance Company.

An Act to incorporate Wesleyan Methodist Church of America in Canada.

An Act respecting a certain patent application of Claude H. Peters.

An Act respecting the New Brunswick Railway Company.

An Act for the relief of Theodore Zalopany.

An Act for the relief of Thelma Alice Warren Whittet.

An Act for the relief of Ethel Sangster Muir.

An Act for the relief of Kiril John Christo.

An Act for the relief of Helaine Ethel Leopold Lax.

An Act for the relief of Cecil Benjamin Pomeroy.

An Act for the relief of Paul Sanson White.

An Act for the relief of Mary Hope Beers Ross.

An Act for the relief of Wasyl Usypchuk, otherwise known as William Usypchuk.

An Act for the relief of Walter Stanley Spencer.

An Act for the relief of Emma Gertrude Groves Morris.

An Act for the relief of Gertrude Margaret Amy Ogilvie.

An Act for the relief of Myrtle Josephine Teel Odell.

An Act for the relief of Marjorie Helen Parker Leduc.

An Act for the relief of Margaret Derry Kirby.

An Act for the relief of George Thomas Bragger.

An Act for the relief of Freda Watson Norman Daniels.

An Act for the relief of Iris Mabel Dash Wilkinson.

An Act for the relief of Thomas Henry Dwyer.

An Act for the relief of Elsie Margaret Ormandy Henderson.

An Act for the relief of Arthur Charles Duffy.

An Act for the relief of Kathleen Edna Ellis Wainwright.

An Act for the relief of Diana Lenore Carsley Tenenhouse.

An Act for the relief of Charlotte Muriel Wright.

An Act for the relief of Sarah Carmichael Hay Johnston.

An Act for the relief of Margaret Georgina Isabel Townsend Mansfield.

An Act for the relief of Pasquale Di Guglielmo.

An Act for the relief of Theodora B. Ostlund Fruitier.

An Act for the relief of Erna Warthold Langlois.

An Act for the relief of Ruth Steinwold Lauer.

An Act for the relief of George Hodgson Fisher.

An Act for the relief of Molly Gurevitch Gladman.

An Act for the relief of Julia Menard Mills.

An Act for the relief of Vera Esteri Seppala Vuorimies.

An Act for the relief of Violet Magdalen Johnson Overall.

An Act for the relief of Edna Lyall Burgess Lambert.

An Act for the relief of Barbara Hellen Smith Dodds.

An Act for the relief of Ellen Margaret Doris Sheehan Decary.

An Act for the relief of Kathleen O'Raw Major.

An Act for the relief of Vernon Oswald Marquez.

An Act for the relief of Wilson Allan Martin.

An Act for the relief of Victoria May Larkin Kirkcaldy.

An Act for the relief of Nellie Blinkhorn Cowie.

An Act for the relief of William Mace.

An Act for the relief of Pauline Hislop Ralph.

An Act for the relief of Ethel Mary Moffatt Shaw.

An Act for the relief of Alfreda Elsie Hatch Carpenter.

An Act for the relief of Rachel Segal Kaparofsky.

An Act for the relief of Paul Lapointe.

An Act for the relief of Vera Grace Percy Moore.

An Act for the relief of Jean Fernand Georges Robitaille.

An Act for the relief of Marie Stella Gisele Payette MacRae.

An Act for the relief of Horace Henry Chapman.

An Act for the relief of Florence Berger Bassin.

An Act for the relief of Roland Edouard Levert.

An Act for the relief of William Cowie.

An Act for the relief of Nita Marjorie Hammerich Ward.

An Act for the relief of Margaret Kirsen Brown MacRae.

An Act for the relief of Margaretha Bernhard Cronauer.

An Act for the relief of Henry Rattigan.

An Act for the relief of Margaret Millar Short.

An Act for the relief of Mary Annesley Iverson.

An Act for the relief of Annie Drewniak Sonberg.

An Act for the relief of Celia Zlatkes Azeff.

An Act for the relief of Louisa O'Tool Shelley.

An Act for the relief of Miriam Schwartz Silcoff.

An Act to incorporate Fundy Air Lines.

An Act to incorporate the Executive Board of The Canada Conference of The Evangelical Lutheran Augustana Synod of North America.

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 1944, 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 War Appropriation (United Nations Mutual Aid) Act, 1943, and for granting to His Majesty aid for the purposes of the said Act.

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

The House of Commons withdrew.

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

The sitting was resumed.

The Senate adjourned until Tuesday, June 27, at 8 p.m.

THE SENATE

Tuesday, June 27, 1944.

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

Prayers and routine proceedings.

DEPARTMENT OF RECONSTRUCTION BILL

FIRST READING

A message was received from the House of Commons with Bill 82, an Act to establish a Department of Reconstruction.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting.

BANK ACT AMENDMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 147, an Act to amend the Bank Act.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting.

QUEBEC SAVINGS BANKS BILL

FIRST READING

A message was received from the House of Commons with Bill 148, an Act to amend the Quebec Savings Banks Act.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. KING: Next sitting.

TREATY WITH CHINA

COPY OF FRENCH VERSION TABLED

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, I beg to lay on the Table a copy of the Treaty between Canada and the Republic of China, concerning the relinquishment of extraterritorial rights and the regulations of related matters, with exchange of notes, signed at Ottawa, April 14, 1944. This is the French version, which was not ready a few days ago, when I tabled the English version.

TRANSLATION OF SENATE DEBATES

INQUIRY

On the Orders of the Day:

Hon. WILLIAM DUFF: Honourable senators, I should like to draw attention of the House to the fact that speeches delivered in this Chamber are reported in our Hansard in the language of the respective speakers, whether French or English. As a number of us are unable to read French, it seems to me that we should adopt the practice followed in another place, and have a translation of all French speeches appear in the English edition of Hansard for the day on which the speeches are delivered. I would ask my honourable friend the leader of the Government (Hon. Mr. King), or whoever else may be responsible, to endeavour to have this matter attended to.

Hon. Mr. KING: I believe it is the practice to print in Hansard English translations of

all speeches delivered in French, just as is done in another place, but there may have been some delay in getting our translation completed.

The Hon. the SPEAKER: A translation of speeches made in French in the House of Commons appears in the English edition of Hansard for the day on which the speeches are delivered. It has not been possible to have this done in the Senate, because our staff of translators is not so large. I shall make inquiry to find out whether it will be possible to have a daily translation of French speeches in the Senate, and shall report to the House.

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill D5, an Act for the relief of Eugène Charron.

Bill E5, an Act for the relief of Lillian Bessie Noall Salmon.

Bill F5, an Act for the relief of Joan Helen Gorham Glover.

Bill G5, an Act for the relief of Elsie Hollingsworth.

Bill H5, an Act for the relief of Louis Joseph Jules Laurencelle.

Bill I5, an Act for the relief of Freda Altman Scheien.

Bill J5, an Act for the relief of Ivan Walter Moore.

DEPARTMENT OF VETERANS AFFAIRS BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 83, an Act to establish a Department of Veterans Affairs.

He said: Honourable senators, in giving a brief explanation of this Bill, I may say that it is new legislation only to the extent of creating a new Department to administer existing legislation. The Bill does not initiate new policy with respect to the welfare of ex-service men. It merely places the responsibility of administering present and future legislation for veterans in the hands of the Minister of a new Department.

I believe the Bill meets the repeated demand of veterans' organizations throughout the Dominion that all measures affecting the care and welfare of ex-service men and women be consolidated in one Department under one Minister.

It will be remembered that the present Department of Pensions and National Health, established in 1928, administers two separate and distinct types of services: one connected with public health, and the other with the care of veterans. It is proposed to divide that Department into two. All the activities having to do with ex-service personnel will be assigned to the Department of Veterans Affairs. To that new Department also will be assigned the administration of the Veterans Land Act and the old Soldier Settlement Act, at present administered by the Department of Mines and Resources. There is also provision that the administration of any other statutes relating to veterans may be assigned by Parliament or the Government to the Minister of Veterans' Affairs. The other half of the present Department of Pensions and National Health will be assigned to the proposed new Department of National Health and Welfare.

As far as practicable, the functions assigned to the Minister of Veterans Affairs are identical with those described in Part I of the Department of Pensions and National Health Act of 1928. The same language has been followed. Some phrases which may appear to be obsolete have been retained from the older legislation, because their omission would terminate the Department's power to perform certain services originating many years ago and still essential and important in relation to certain groups of veterans. I refer to unemployment relief. This was initiated in the depression period, and some ex-servicemen who are not eligible for any other type of assistance would be left destitute if it were cut off.

Then there is reference to the canteen funds. This is carried over from the old Act, because an Act of 1925 requires that the trustees of canteen funds of the former war must present annual reports to the Department of Pensions and National Health. I may say that no provision is made in the Bill for the administration of the canteen funds of the present war.

The Bill gives no new powers to the Government, nor does it affect the administration of the Pension Act, the War Veterans' Allowance Act or any other Act affecting veterans, except to substitute the name "Veterans Affairs" for "Pensions and National Health."

It is intended to bring the services pertaining to the Soldier Settlement Act and the Veterans Land Act, which are now under the Department of Mines and Resources, within the purview of the new Department when it is set up.

It is perhaps unnecessary to say more in explanation of this Bill. I would suggest that after second reading it be referred to the

Standing Committee on Banking and Commerce. We might then ask departmental officials to be present to explain certain matters which may require some thought or consideration by the members of the Committee.

Hon. G. V. WHITE: Honourable senators, I desire to make a few observations with regard to this important measure. In the first place, I wish to congratulate the Government for having acceded to the wishes of the veterans by bringing in legislation which has for its object the consolidation, under one department, of the many activities relating to war veterans. This, I believe, is a move in the right direction, because it will afford the gallant ex-servicemen and women of this country, to whom we all owe so much, the facility of dealing directly with one department, which will be charged with the responsibity of administering matters pertaining to their affairs.

May I at this time be permitted to pay a tribute to the departmental officials who have been associated with the administration of veterans' affairs? It has been my privilege to have taken some interest in the problems which have confronted ex-servicemen of the last war, and I may say that at all times I have found these officials both courteous and helpful, and always ready to do everything within their power to assist ex-servicemen.

I am sure we all realize that the post-war period will be a very critical one in the history of this country. It seems to me, therefore, that the sooner this legislation is in operation and the sooner this department is functioning, the better it will be for all concerned.

In this connection, I should like to place on Hansard a resolution adopted at the recent Dominion Convention of the Canadian Legion, held in Vancouver a few days ago. The resolution is as follows:

> Be it resolved that this Convention urges the Government to proceed forthwith with the passage of the Bill to establish the Department of Veterans Affairs, and immediately following its enactment to commence the building of an organization that would be capable of giving full effect to the Government's rehabilitation programme when general demobilization takes place.

I am very glad the honourable the leader has suggested that this measure be referred to the Standing Committee on Banking and Commerce, for in that way we shall be able to get a clear picture of the legislation to be enacted.

Hon. Mr. COPP: My honourable friend spoke of the resolution passed at the last meeting of the Legion in Vancouver. Was that a direction or an application to the Government?

Hon. Mr. KING.

Hon. Mr. WHITE: Perhaps my honourable friend will be interested in the following paragraph:

> This Convention desires to express appreciation to the Government for accepting the proposal of the Canadian Legion for setting up a Department of Veterans Affairs, and for introduring legislation to give it effect; but now urges upon the Government the necessity for establishing such a department forthwith, so that the administrative machinery to give effect to the department's rehabilitation policy can be set up well ahead of the general demobilization period, in readiness to deal expertly and expeditiously with the problems of the returning veterans of this war.
>
> We particularly desire to warn the Government against permitting a state of unpreparedness to deal with the return to civil life of large numbers of veterans of this war, and falling into the same mistakes that occurred during the post-war period following the First Great War.

I think I may say, in answer to my honourable friend, that this matter is one which has occupied the attention of the Canadian Legion for some time, and I believe it was that organization which first brought it to the attention of the Government.

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

REFERRED TO COMMITTEE

Hon. Mr. KING: I would move that this Bill be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. HAIG: Would it be convenient to announce at this time that the meeting will be held on Thursday morning?

Hon. Mr. KING: Yes.

Hon. Mr. HAIG: Then anybody who is interested may attend.

Hon. Mr. KING: Exactly.

The motion was agreed to.

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

THE SENATE

Wednesday, June 28, 1944.

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

Prayers and routine proceedings.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally

read the third time, and passed, on division:

Bill D5, an Act for the relief of Eugène Charron.

Bill E5, an Act for the relief of Lillian Bessie Noall Salmon.

Bill F5, an Act for the relief of Joan Helen Gorham Glover.

Bill G5, an Act for the relief of Elsie Hollingsworth.

Bill H5, an Act for the relief of Louis Joseph Jules Laurenceville.

Bill I5, an Act for the relief of Freda Altman Scheien.

Bill J5, an Act for the relief of Ivan Walter Moore.

BANK ACT AMENDMENT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 147, an Act to amend the Bank Act.

He said: Honourable senators, I have only a word or two to say in explanation of this measure. As honourable members are aware, the Bank Act, under which our chartered banks operate, is revised every ten years. The committee of the House of Commons now engaged on the decennial revision has not yet completed its work, and as the Act expires on the 30th of this month the Minister of Finance finds it necessary to ask for a two-months extension of the bank charters pending the enactment of the Bill now before the committee.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: If there is no objection, I would move the third reading now.

Hon. Mr. DUFF: Now.

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

QUEBEC SAVINGS BANK BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 148, an Act to amend the Quebec Savings Bank Act.

He said: Honourable senators, the explanation which I gave of the previous Bill is also applicable to this Bill. It simply asks for an extension of two months.

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

THIRD READING

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

Some Hon. SENATORS: Now.

Hon. Mr. KING: With leave, I would move the third reading now.

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

DIVORCE BILLS

FIRST READINGS

Hon. Mr. COPP, on behalf of the Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill K5, an Act for the relief of Everett Roy Clow.

Bill L5, an Act for the relief of Elmore MacLean MacKay.

WAR SERVICE ELECTORS AND PRISONERS OF WAR VOTING BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 135, an Act to provide regulations enabling Canadian war service electors to exercise their franchise, and Canadian prisoners of war to vote by proxy, at any general election held during the present war, also to provide amendments to the Dominion Elections Act, 1938, consequential to such regulations, or made necessary by the advent of the said war.

He said: Honourable senators, no doubt we all are familiar with the primary object of this Bill, which is to provide for the men and women of our armed services, now scattered widely throughout the world, the greatest possible facilities for the exercise of their franchise in the event of an election during this war or six months thereafter. The Bill comes to us from the elective chamber of Parliament, where the Government thought it wise to have a reference to a special committee. Legislation of this kind has caused much concern and great difficulty in the past, as well as in more recent times, and Governments having the responsibility of sponsoring such legislation have been subject to severe criticism by their opponents. All honourable members are aware that during the last war, as during the present one, occasions arose, both in the provincial and federal fields, whereby it became necessary to enable members of our armed services to register their votes. In the

Dominion election of 1940 the voting by our soldiers, sailors and airmen was conducted in accordance with regulations passed under the War Measures Act. I believe that in general those regulations were considered to have served their purpose well, and there was little complaint about them. Of course, at that time our armed services were not so widely scattered as they now are; on the contrary, they were then serving only in Canada, Newfoundland, the West Indies and Great Britain.

As I have said, there was a reference of this Bill to a special committee of the other House. That committee, made up of representatives of all the recognized groups in that House, met on numerous occasions and, after consultation with the officers entrusted with the responsibility of administering elections from time to time—permanent officers of the Civil Service—brought forth this Bill. It is a short measure, but honourable members will notice that schedules A and B, which contain the regulating sections, are long and complicated. I am informed that the committee made it its business largely to see that these regulations were sufficient to cover the field that has to be served.

After the Bill was reported back to the House a short debate took place, upon two occasions. The leader of the Opposition intimated that one of the regulations should be amended to increase the facility for exercise of the franchise. As I recall it, he pointed out that an airman might be on furlough in one of the western provinces, and if the nearest Air Force unit was a long distance away he would have to journey there, at great inconvenience to himself, in order to vote. An amendment was made to that regulation, I believe, to permit any one in such circumstances to register his vote with any other branch of the forces.

We in this Chamber naturally feel that the members of the elective house have the primary responsibility of enacting measures, satisfactory to the electorate and to themselves, governing the conduct of elections, and ordinarily we should hesitate to suggest any amendment to a measure of this kind. However, since the passage of this Bill in the House of Commons—where there was no dissenting vote —I have received, as many honourable members have, a considerable number of telegrams and some letters expressing protests by various public bodies throughout Canada. In acknowledging them I felt it incumbent upon me to indicate to the senders that I would communicate their representations to the Senate. It is unnecessary for me to read these various wires and letters. Many of them come from church organizations, whose members belong to various Christian denominations. For instance, from Toronto I received a wire signed by a Catholic priest, a Baptist minister, a Presbyterian minister and a clergyman of the Church of England.

Hon. Mr. MURDOCK: And a minister of the United Church.

Hon. Mr. KING: They telegraphed on behalf of a council—

Hon. Mrs. WILSON: It is the Social Service Council of the churches.

Hon. Mr. KING: That Council represents a large body of people.

Telegrams and letters have also been received from many persons associated with the League of Nations Society and with other organizations. Nearly all the communications protest against section 5 of the Bill. My suggestion would be that after the Bill has been read the second time it be referred to the Standing Committee on Banking and Commerce, where a more thorough inquiry can be made into the grounds for criticising section 5. It seems to me that this section should be amended, and I wish to say that at the committee there will be presented an amendment which would remove the cause of at least some of the objections.

Hon. ANTOINE J. LEGER: Honourable senators, I am glad to hear the honourable leader of the House say that an amendment to section 5 will be proposed in committee. As I interpret that section, it goes much further than it was intended to go. If it did only what the explanatory note says, I think there would be no objection. But it does a great deal more than that. It would add to the Dominion Elections Act a paragraph, to be known as paragraph (n) of subsection 2 of section 14, which in certain circumstances would delegate to the provinces a power of disqualification that is not contained in the Act at present. Whether it is wise or not for the federal Parliament to delegate such authority to the provinces remains to be seen.

I shall give a few examples to illustrate what I mean. Suppose that in the near future Canada were to go to war with, say, France, and the province of Nova Scotia, or any other province, passed legislation disqualifying all persons of French origin from voting. Then, if this paragraph (n) were part of the Act, all such persons would be disqualified from voting at a federal election.

Neither in the interpretation of the Act nor in the Dominion Elections Act is there any definition of the words "whose racial origin is that of a country at war with Canada." How far back that racial origin would be interpreted

as extending is not stated; so this proposed new paragraph could disqualify people whose ancestors have been born in this country for nine generations back. We are at war with Germany now. If the province of Quebec were to pass an act disqualifying all persons of German origin from voting, and the Dominion Elections Act were amended as proposed here, how many people would be affected? I cannot speak with respect to other provinces, but I know that a great many in the Maritimes, including some of our best citizens, whose families have lived there for five or six generations, would be disqualified.

Hon. Mr. DUFF: Hear, hear. There would be many in my county.

Hon. Mr. EULER: And more in Ontario.

Hon. Mr. LEGER: Surely section 5 cannot stand as it is. It will have to be amended, carefully amended. If the purpose was to disqualify persons of the Japanese race only, the amendment was very badly drawn.

I do not want to say much about the regulations at this time. It would seem that some of them will have to be amended. I notice that one says a candidate should not be disqualified for uncertainty if it is certain. That does not make sense to me. Another regulation provides that the Auditor General shall pay the bills. It does not say whether certain funds will be available for this purpose, or whether he is to use his own money. Other amendments are obviously necessary throughout the regulations. With these remarks and with the assurance of the honourable leader opposite (Hon. Mr. King) that the Bill will be referred to a committee, I have no objection to the motion.

Hon. W. M. ASELTINE: Honourable senators, I wish to say a few words both in regard to the Bill itself and to election practice in general. As will be gathered from the title of this measure, it is really an amendment to the Dominion Elections Act of 1938, although the honourable leader opposite (Hon. Mr. King) has seen fit to treat it as a substantive bill.

A perusal of the debate in the other House discloses that the Bill provides for active service voters exercising their franchise during the war and six months thereafter. But it goes farther. It deals with regulations which will be operative after that time. I do not think this proposed legislation is necessary, but I have no objection to it. In common with all my colleagues, I am anxious that members of the services, both men and women, shall have a vote, and that that vote shall be secret. For some time I was not sure that the Bill provided for absolute secrecy of voting, but after scrutinizing its various provisions and listening to the honourable leader's explanation, I have come to the conclusion that there is not very much we can do in this regard. After the ballot has been marked and placed in an inner envelope it is to be enclosed in an outer envelope, on which will appear the voter's name. There is only a remote possibility that a man's or woman's vote could be traced. I am at a loss to understand how a Service voter is to know what the candidates stand for, and I hope that when the Bill is before our Committee on Banking and Commerce an explanation will be forthcoming on this point.

This Bill provides for amendments to the Dominion Elections Act, and so gives me an opportunity of discussing a reform that I think is long overdue, namely, reform of our whole system of electing members to Parliament. I have noticed recently that there is quite an agitation in the Press for such reform, and my observation of recent provincial election results leads me to the opinion that this Bill should have provided for a change in our voting system.

Under our present system a party may, though receiving substantial support, fail to elect a single candidate. For instance, in Saskatchewan in 1934, 105,000 votes were cast for one party, without its securing a single seat in the legislature. In 1938 about 85,000 votes were cast for the same party, and again it failed to secure any representation. In the recent election in that province one party elected almost all its candidates, though it received only 53 per cent of the total vote.

Undoubtedly on that very account our present system is faulty and should be reformed. As is evident from the figures I have cited, where there are more than two candidates in the field, frequently the winning candidate polls only a minority of the total vote. The other votes are completely lost. In order to remedy this defect an amendment to the Dominion Elections Act is long past due.

I may be asked what other system of voting I would propose. First, I would suggest that Parliament should prescribe that the single transferable vote be used in all single-member constituencies, with proportional representation in multi-member constituencies.

Perhaps I can best bolster up my argument by referring to the results in certain Ontario constituencies in the last election. Everyone here knows that many candidates were elected by a minority vote. For example, in Hamilton-Wentworth the C.C.F. candidate polled 6,433 votes; the Progressive Conservative, 5,850 votes; the Liberal candidate, 5,453 votes. If the single transferable vote had been in

effect, it is quite likely that the Progressive Conservative candidate would have been elected, because many of the votes which went to the Liberal candidate would have been distributed to the Progressive Conservative candidate. In Hastings West the Progressive Conservative candidate polled 6,530 votes; the Liberal candidate, 4,107 votes; the C.C.F. candidate, 2,944 votes. The Liberal and C.C.F. candidates had between them the majority of the votes. Who knows but what the Liberal candidate might not have been elected if the votes for the C.C.F. candidate had been distributed?

Hon. Mr. KING: The voter indicates his first, second and third choices on the ballot?

Hon. Mr. ASELTINE: Yes. In Nipissing the C.C.F. candidate received 5,642 votes; the Liberal candidate, 4,005 votes; the Progressive Conservative candidate, 2,327 votes, and another Liberal candidiate, 1,871 votes. Under the single transferable vote system the votes cast for the candidate at the bottom of the list would probably have gone to the Liberal candidate, and he would have been elected; or certain votes which were polled by the Progressive Conservative candidate might also have been distributed to the Liberal candidate in sufficient strength to elect him. I have under my hand thirty or forty similar cases, but I shall content myself with these few examples.

Proportional representation applies in multi-member constituencies, such as Winnipeg, Calgary, Edmonton, where the system has been found to work out very satisfactorily. The chief objection to proportional representation is that it tends to the creation of more parties. But I do not think we need fear such a tendency at the present time, for right now there are approximately ten parties in the House of Commons.

I believe, honourable members, that our present electoral system is antiquated and should be reformed, if the prestige of Parliament is to be preserved, and I submit that the Government should at this session further amend the Dominion Elections Act by prescribing the single transferable vote ballot in all single-member constituencies. If this were done, no votes would be lost and the candidate elected would represent the majority of the voters.

To emphasize how defective our present system is in that it tends to the exclusion from Parliament of some of our most eminent public men, I would remind honourable senators that in 1921 Mr. Meighen and eight members of his Cabinet were defeated; that in 1925 Mr. King and eight members of his Cabinet were defeated; that again in 1935 no less than ten of Mr. Bennett's colleagues were defeated. The loss to the country and to the House of Commons of those seasoned political leaders was entirely due to our antiquated single-member constituency and majority-voting system. With large cities such as Montreal, Toronto, Winnipeg, Calgary, Edmonton, and Vancouver, treated as multi-member constituencies, and with proportional representation in effect, these defeated Ministers by reason of their services to the country and their being well known would no doubt have been elected. I am not arguing now in favour of proportional representation, but I think we should do well to adopt the single transferable vote ballot to see how it works out. If neither is adopted Canada will continue to have these landslide elections, in which little more than 50 per cent of the electorate return 90 per cent of the candidates. In the recent Saskatchewan election we have a striking example of such results, with 47 candidates of one party elected by 53 per cent of the votes. A similar result may happen in the next federal election.

Before I take my seat I desire to put on record one or two articles which have recently appeared in the newspapers of Canada. The Ottawa Evening Citizen of May 10 last contains this editorial:

To Strengthen Parliament

The Winnipeg Tribune in a timely and discerning article urges that Parliament, to preserve its own prestige, should, at this session, prescribe that the single transferable vote ballot be used in all single-member constituencies. That is a necessary step to ensure that all members shall be elected with a clear majority of the electors behind them. This is far from the case at present when three or more candidates run in the same constituency. To that extent Parliament fails truly to represent the electorate. This change to a more effective voting method is very simple and easily made. The voters mark their ballots with the numerals 1, 2, 3 and so on in order of their preference. Candidates' records and policies are thus studied more. It also teaches the returning officers the method of counting the ballots according to the electors' directions—in this way preparing them for proportional representation constituencies later. It does away entirely with the usual "X" as on ballots now used.

This change should be made at this session, unless Parliament in its wisdom, is ready to modernize the electoral system completely by grouping single-member constituencies into larger P.R. constituencies each electing three, four, five or more members.

Then I go down to New Brunswick, and I quote from an article in the Moncton Transcript. This article, entitled "Making all Votes Count," is as follows:

One of the chief arguments against the adoption of proportional representation has been that it tends to encourage the formation of more political parties, thus getting farther away from the simple and effective two-party system.

In the Canadian House of Commons, as presently constituted, no less than ten parties are represented. We have attained a multiplicity of parties without adopting proportional representation. It is doubtful that its adoption would lead to the entry of many, if any, more. If that objection no longer is valid, the way may be open to consider the merits of the plan unhampered by the fear of further complicating the political situation.

When the next federal election is held it is probable that there will be at least three candidates in a majority of the constituencies; in some, there will be more. Under the present system, it is inevitable that a large number of the candidates will be elected by a minority vote. If the ballots were almost evenly divided, thirty-four per cent of the vote would be enough to place a man in the lead and thus ensure his election. Under proportional representation or by the use of the transferable vote, this would be an impossibility. Each member elected would gain his seat only by the wish of a majority of his constituents.

The system is simple enough. The voter indicates on his ballot his first choice, his second choice, and so on. If no candidate receives a clear majority of first choice ballots, the second choice is taken into consideration and the process is continued, if necessary, until the returning officer finds the candidate whom a majority of the voters wish to represent them.

That in brief, honourable senators, is all I have to say at this time. Under the peculiar conditions that prevail in Canada at the present time, and which are likely to prevail at the next election, I think the Government should take this matter into consideration before Parliament prorogues; and I for one should like to see the single-transferable vote tried out in all single-member constituencies in the Dominion at the next federal election.

Some Hon. SENATORS: Hear, hear.

Hon. NORMAN P. LAMBERT: Honourable senators, in view of the very appropriate observations of the honourable senator who has just taken his seat, I should like to add a word or two to what he has said, and also to make some other references to this Bill.

There are those, possibly, in this Chamber, who feel that, because this Bill is entitled "an Act to provide regulations enabling Canadian War Service electors to exercise their franchise, . . . and to provide amendments to The Dominion Elections Act," there should be some disinclination or indisposition to discuss a question which, as we all know, directly and vitally affects the members of another place in a way in which it cannot affect the members of this Chamber. On the other hand, over and against that, I should like to emphasize that one of the principal traditional responsibilities of this Chamber is that of safeguarding the rights of minorities, and sectional interests in this country.

After all, the main purpose of this Bill is a technical one—to provide facilities for the taking of soldiers' votes during war-time—and one of my chief objections to it is that clauses 5 and 11 inject into it a subject which should be dealt with more adequately in a consideration of the Dominion Elections Act as a whole. The features that have been dealt with by the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine) should also be supplemented by a consideration of the whole scope of the application of the franchise in this country.

We have in clause 5 a provision to disfranchise a section of people in this country, many of whom are only too anxious to vote, if they had the chance, whereas, in my opinion, the Dominion Elections Act as a whole should be amended so as to obligate a great many people who now do not vote at all to go to the polls.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. LAMBERT: On the one hand, through this Bill, in what I call an insidious way, we are taking the votes away from people who are willing to vote, whereas the whole project of amending the Dominion Elections Act, so as to bring home to the people of this country some of the obligations of democracy, is being entirely overlooked.

I am opposed to this Bill largely on the ground that clause 5 is irrelevant to the real purposes of the Bill, and that there is an overdue need of an amendment to the Dominion Elections Act. Further, if it is necessary to deal with the fundamentals of naturalization and the franchise, it should be done in circumstances altogether different from those which surround this Bill.

In the second place, I am opposed to this Bill because it delegates to the provinces the federal authority in reference to the application of the franchise. I am not going to develop that point at the moment, but I think it is most objectionable to establish in any dominion legislation the principle of relinquishing the responsibility which belongs to the Dominion of Canada in the conferring of the franchise on its citizens.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LAMBERT: In the third place, I am opposed to the Bill because it violates the principles underlying the most sacred contract that Canada enters into with respect to its citizens. It suggests that those who have been naturalized under the provisions of the Naturalization Act shall be deprived of the franchise in provinces where they now

have the vote, purely on the ground that they are members of a race with which we are at war.

My fourth ground is that it represents the most hateful feature of Hitler's Nazi doctrine of racialism.

The fifth point I would make is that, in contrast with the attitude of our great democratic neighbour towards its American citizens of the Japanese race, Canada, with is much-vaunted claims to nationhood, is intolerant and reactionary in its dealings with this war problem, which also is one of vital international importance. If any one has taken the trouble to follow the statements of President Roosevelt, he will have seen that he not only has indicated to American citizens of the Japanese race the prospect of their return to their own lands and properties, but has opened the door to their enlistment in the American armies serving overseas. As a result of this many have enlisted, and have given valuable service in Italy, in North Africa and on the shores of France.

I do not intend to discuss the implications of clause 5, and its subsidiary, clause 11, because the main point of the clause, as is made clear by the explanation on the adjoining page, is to disqualify from voting at a Dominion election persons of the Japanese race. As the clause stands, of course, the implications are that any racial group with which Canada is at war may be disfranchised in any province where the provincial authorities see fit to disqualify them—Germans, Italians, Bulgarians and Rumanians. Even the French, by a certain stretch of application, might be disqualified as being supporters of Vichy. In such a case none of those groups in any of the provinces would be able to vote in a Dominion election.

I am glad that this Bill is to be referred to committee for discussion. I hope that then, and in the meantime, full consideration will be given to the very important principles underlying it.

Hon. CAIRINE WILSON: Honourable senators, I should like to support everything the honourable senator from Ottawa (Hon. Mr. Lambert) has said; and in the committee I hope to bring forward some further instances of particular antagonisms.

I have received all manner of representations protesting against this measure. I am pleased to say they come largely from youth organizations. There seems to be a feeling that a few at least of the Japanese citizens are given an opportunity to acquire certain rights, thereby relieving, perhaps, what has been a problem in British Columbia. But the Bill gives them rights nowhere. Further it retards the causes for which we are supposed to be fighting in the war. If we support such a clause as the one to which objection is taken, I do not think we can claim to be opponents of racial discrimination and upholders of democracy. This clause seems unjustifiable, because it would apply not only to wartime elections or six months thereafter, but would remain in perpetuity on our statute books.

Hon. J. A. CALDER: Honourable senators, I have listened with a great deal of interest to all that has been said in reference to this Bill. It seems to me very strange that it passed the House of Commons unanimously. From what has been said here, it would appear that a very great injustice is likely to be done, and I think the Leader of the House is wise in having the Bill referred to Committee. Undoubtedly there are some phases of it which should be looked into.

It is quite true that this Bill is essentially a House of Commons measure; nevertheless, we are here to look after minorities, and it may be that they will be dealt with unjustly by this measure.

There is only one other point I wish to refer to at the present time, and that is the statement made by my fellow-member from West Central Saskatchewan (Hon. Mr. Aseltine). It seems to me the time has come when the Parliament of Canada should seriously consider the passage of legislation designed to ensure that the representative of every constituency will be chosen by a majority of the people of the constituency. My honourable colleague from West Central Saskatchewan has pointed out what happened in the past and what will happen at the next election.

In the old days, when we had two main political parties in this country, the situation was relatively simple: by far most members of Parliament were then elected by a majority of the people in their respective constituencies. But to-day we have three or four major parties, and under existing law there is not only a possibility but a likelihood that many a man who has not been voted for by a majority of the people in his constituency will come to Parliament to act as representative of that constituency. I submit to honourable senators that that is not responsible government. Men who are sent to Parliament by the votes of half or less than half of the people in their constituencies are not truly representative of those constituencies. I repeat that the time has come—in fact, it has long since come—when Parliament should seriously consider amending the Dominion Elections Act, with a view to avoiding this undesirable situation.

Hon. W. D. EULER: Honourable senators, I do not intend to speak at length, but I wish to explain briefly my position with regard to the motion for second reading of this Bill. Before doing that, though, I should like to endorse what has been said by the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine) with regard to the single transferable vote. I am entirely in favour of it, and I think his arguments are unanswerable. I shall not object to the second reading of the Bill, but if I had not the assurance of the honourable leader of the Government (Hon. Mr. King) that the Bill will go to a committee, where an amendment to clause 5 will be offered, I should fight clause 5 to the last ounce of my strength. I may not support the Bill even if that clause is amended. In my opinion it embodies—I was going to say the worst principle that one could conceive, but it is really a lack of principle. The clause is thoroughly unsound and unfair.

If other honourable members had not referred to the implications of the clause as it now stands, I should have mentioned some of them, as I was prepared to do. Just to show what could happen under that clause, I will merely say that in certain eventualities it would disfranchise people born in this country, even people whose fathers and grandfathers were born in this country. It could disfranchise probably half of the people of Waterloo. If that clause were carried, then in certain eventualities the present Member of Parliament for North Waterloo would not be entitled to vote.

Hon. Mr. KING: If the province of Ontario took certain action.

Hon. Mr. EULER: Yes; if the province of Ontario passed a law disfranchising, for purposes of a provincial election, all people whose racial origin is that of a country at war with Canada. The Legislature of Ontario would probably not pass so foolish and unfair a law, but it might do so.

I would also support what was said by the honourable senator from Ottawa (Hon. Mr. Lambert). It seems to me most anomalous and incongruous that Parliament should empower provincial legislatures to deprive certain citizens of Canada of the right to vote in a federal election.

I was just going on to point out some things that might happen if clause 5 were carried and the province of Ontario were to pass a law such as is contemplated by that clause. I select Ontario only because it is my native province. As I say, the Member of Parliament for North Waterloo could not vote; nor could the Member for South Waterloo vote. The Senator from Waterloo (Hon. Mr. Euler) could not vote. One of his sons could vote, but the other could not. My wife could vote, simply because, unlike me, she is not of the German race; but she would not have had the right to vote if she had not become my wife. I believe that a certain Canadian General, who was signally honoured by the King about a week ago, could not vote. And if the present Supreme Commander of the invasion forces in France were living in Ontario under such circumstances, he could not vote. I suspect that the Admiral of the United States Navy also, if living here under those circumstances, could not vote. To show how absurd this thing might become—for I do not know how far back racial origin would be traced—may I point out that if His Majesty the King were living over here, even he could be prevented from voting. As I said at a little gathering,—

Hon. Mr. HAIG: That was not at a caucus?

Hon. Mr. EULER: My honourable friend should not be so inquisitive.

Hon. Mr. HAIG: I just wondered.

Hon. Mr. EULER: I have spoken about this matter to some colleagues who sit on my honourable friend's side of the House. In my possession are the names of some forty men of the German race who have been killed in this war—

Hon. Mr. LACASSE: Men from Ontario?

Hon. Mr. EULER: Yes; from the district which I used to represent in another place. I have the names of some forty men of the German race who have been killed in this war, and of many more of that race who have been wounded. If clause 5 were carried and the Legislature of Ontario passed an Act disfranchising the people of that race, then the father, probably the mother, and certainly the brothers and sisters—except those having military service—of every one of those men would be unable to vote in a federal election. Can honourable members conceive of a more unjust piece of legislation? Whoever was responsible for the framing of clause 5 could not possibly have been seized of all its implications.

I apologize to the honourable leader of the House (Hon. Mr. King) for mentioning these things. I was prepared to say all this and more if an effort had been made to adopt clause 5 as it stands. I could not possibly have taken any other position. Now that the Bill is to be referred to a committee, I hope the clause will be so amended that it will not confer such powers upon provincial legislatures. For my part, I should like to

see it eliminated altogether, because in my opinion every man and woman born in this country, and every man and woman who has moved here and become a citizen—whether born in Britain, France, Germany, Italy, Russia, Poland or anywhere else—is a Canadian citizen and entitled to the rights of Canadian citizenship. We tax these people and impose upon them other responsibilities of citizenship; we have no right to deprive them of its privileges.

Hon. R. B. HORNER: Honourable senators, I do not want to lose this opportunity of placing myself on record as opposed to the disfranchisement of the people of any nationality who play their part as citizens of this country. It is questionable whether conscientious objectors should be allowed to vote; but with that qualification, I strongly support the remarks of the honourable gentleman who has just taken his seat (Hon. Mr. Euler). I am opposed to taking the vote from any people born in this country—Japanese, or others—who are willing to enlist and conduct themselves properly. We stand before the world as fighting for righteousness and a just cause, and I think it indicates a lack of faith on our own part when we disfranchise people who assume their fair share of responsibility as citizens of this country.

Hon. W. RUPERT DAVIES: Honourable senators, I do not intend to take part in this debate, but I should like to ask the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine) a question or two. I listened with great interest to what he had to say, and was deeply impressed. His proposals seemed to me so fair, reasonable and democratic that I wonder why they have not been put into effect. What is the argument against them? For the last twenty-five or thirty years there have been three major parties in Great Britain, yet the single transferable vote system has not been adopted there. In our own country within the last quarter century both the Liberal and Conservative parties have in turn held office. Why has neither of these parties put the single transferable vote into effect? Is there any real objection to it? I am simply asking for information.

Hon. Mr. ASELTINE: I am not aware of any real objection, but I can give the honourable senator the name of a member of another place who is able to state all the arguments against the system. I am not familiar with that gentleman's arguments, but I know the substance of them is that the single transferable vote does not give the results it is supposed to give. I may say he has never been able to convince me.

Hon. JOHN T. HAIG: Honourable senators, I want to deal for a moment with two subjects, one of which was raised by the honourable senator from Ottawa (Hon. Mr. Lambert). My law may be poor, my interpretation of the statutes may be bad, but I believe that the very provision against which so much criticism has been expressed is in the Dominion Elections Act now.

Hon. Mr. EULER: Only with regard to British Columbia.

Hon. Mr. HAIG: With regard to any province. Under the present law, without this amendment at all, if a person is prohibited from voting in Ontario he cannot vote in a Dominion election. That has always been the law in this country. If the Legislature of British Columbia passed a law disqualifying the Japanese from voting in that province, they could not vote in a Dominion election. Similarly, if Ontario prohibited persons of the German race from voting in that province, they could not vote in a Dominion election.

Hon. Mr. LACASSE: Is that true of all provinces?

Hon. Mr. HAIG: That is the present Dominion law, which applies to all provinces. I did not intend to deal with this matter at all, for I was quite satisfied with the statement made by the honourable leader of the Government (Hon. Mr. King) that the Bill would be referred to a committee, where an amendment to clause 5 would be proposed and the whole matter could be thrashed out. I thought the position taken by the honourable leader was very fair.

Hon. Mr. SINCLAIR: My honourable friend does not mean that the present law could disfranchise persons of the German race?

Hon. Mr. HAIG: If the Ontario Legislature passed an act disfranchising them, they could not vote in a Dominion election.

Hon. Mr. LEGER: That would apply only to the people of that race in Ontario.

Hon. Mr. HAIG: In Ontario. Paragraph (i) of subsection 2 of section 14 of the Act, as it now stands, reads:

> The following persons are disqualified from voting at an election and incapable of being registered as electors and shall not vote nor be so registered, that is to say—
>
> (i) every person who is disqualified by reason of race from voting at an election of a member of the Legislative Assembly of the province in which he or she resides and who did not serve in the military, naval, or air forces of Canada in the war of 1914-1918.

Hon. Mr. CALDER: That is under the proposed amendment?

Hon. Mr. HAIG: No; that is in the present law.

Hon. Mr. EULER: Then, what is the purpose of clause 5 of this Bill?

Hon. Mr. HAIG: The purpose of clause 5 was to prevent Japanese people from voting anywhere in Canada.

Hon. Mr. EULER: Why should it not say so?

Hon. Mr. HAIG: That is what was intended to to be said by the clause. It is very badly drafted, that is all. After reading it carefully I saw that it did not have the meaning that the explanatory note ascribed to it.

Hon. Mr. ASELTINE: Was my honourable friend reading a moment ago from the Act of 1938?

Hon. Mr. HAIG: Yes; from section 14, subsection 2, paragraph (i).

Hon. Mr. EULER: It is worded differently, but it means the same thing as this clause?

Hon. Mr. HAIG: Yes. I do not intend to deal further with it; but I must say, candidly, that I for one am not so sympathetic towards the Japanese as some of my honourable friends have stated themselves to be. I am speaking for myself only.

I will try to answer the question asked me by my honourable friend from Kingston (Hon. Mr. Davies). Without boasting, I believe I can claim to be the only member of this Chamber who was ever elected under a a system of proportional representation. I ran in four elections conducted under that system. Ever since 1920 the city of Winnipeg has been what we call a multi-member constituency, electing ten members to the Legislature by proportional representation. The rest of the province is composed of single-member constituencies, which elect their representatives by the single transferable vote. The principles underlying the two systems are diametrically opposed. Under the single transferable vote you may have four, six, ten, or any number of candidates in a constituency. The man who receives the smallest number of votes is dropped, and that process is continued until there are only two candidates left, when the man who then has the larger number of votes is declared elected. Governments are opposed to this system because they fear, quite wrongly, that the dividing-up of the vote will result in a divided opposition to the party elected. That has always been the fear of governments in Canada, Great Britain and elsewhere.

Hon. Mr. DAVIES: Is the single transferable vote system used in Manitoba?

Hon. Mr. HAIG: It has been in effect there since 1924.

Hon. Mr. DAVIES: For the election of members to the Legislature?

Hon. Mr. HAIG: Yes. It has worked most satisfactorily.

Hon Mr. DAVIES: Does it entirely obviate the election of a minority government?

Hon. Mr. HAIG: In Manitoba there are forty-five single transferable vote constituencies, and the majority of the people of those constituencies elected the government. There is no question about that. An important fact is that this system helps to kill outright partisanship, and makes people want to choose better types of candidates than would be chosen under other systems. Suppose that in the constituency of Minnedosa there are three candidates. That is a constituency which for some years has sent a Conservative member to the Legislature, with the Liberal candidate running second, and the C.C.F. candidate third. It may be that the electors who are in favour of the C.C.F. would ordinarily like to see a member of the Liberal party elected in preference to a Conservative, but probably the Conservatives have been fortunate in choosing as their candidate a man or woman of exceptional qualifications, acceptable to nearly everyone. Under the single transferable vote system, that is the kind of candidate they try to get. You do not have a hole-in-the-corner convention, because every party knows it must nominate the best candidate who can be secured, a man or woman of real standing in the community. As I say, the system has given entire satisfaction in our province.

Hon. Mr. DAVIES: I do not quite understand this. In Manitoba there is a coalition Government supported by various parties because no party did secure a majority.

Hon. Mr. HAIG: Oh no, no—tut, tut, tut. There are forty-nine members on one side of the Legislature, and five on the other. It is just as one-sided as is that of Saskatchewan. The coalition Government was formed in the fall of 1940. When the election came in the spring of 1941, if the member for Minnedosa, for example, had been a Conservative, the coalition nominated a Conservative candidate, and all the Liberals and C.C.F.'ers voted for him; if the seat had been represented by a C.C.F. member—the C.C.F. originally belonged to the coalition—a C.C.F. candidate was nominated, and everybody voted for him.

Only one constituency elected a candidate in opposition to the coalition, and that was Assiniboia.

Hon. Mr. KING: Was that a party arrangement within the constituency?

Hon. Mr. HAIG: Yes. The coalition said, "We cannot control the nominations in any constituency, but we would suggest that if the sitting member is a Conservative or a Liberal, he or some other Conservative or Liberal should be nominated as the coalition candidate." Sometimes the sitting member did not want to run again, but that was the general way in which the arrangement worked out. In two or three constituencies candidates in opposition to the coalition candidate were elected, but where it was a fight between two candidates of the same party the better man got elected.

I am opposed to proportional representation. I was elected under that system every time I ran, so it is not a case of sour grapes with me; my objection is that it puts minority parties into the House, and is therefore a bad system.

I suggest to the honourable leader of this House (Hon. Mr. King), and to the Government, that they give serious consideration to the proposal of the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine). I congratulate the honourable senator on having done a real service to our House and made a notable contribution to the discussion of politics in this country when he urged that the adoption of the single transferable vote system was long overdue, and that the Dominion Elections Act should be amended to bring it into operation. This step would help to eliminate all the little "isms" that are wont to become vocal during election campaigns, for with the single transferable vote ballot you could elect candidates with a broader outlook than theorists usually have. It is inevitable that you should do so, for it is in the interests of your own party.

I advise anybody who is interested in this subject to study the results of the Manitoba elections from 1922 to 1941. I am sure you will be delighted to see how satisfactorily the single transferable vote ballot works out. It does not need to be exercised very often. Occasions for its use will be more frequent now because in the western provinces, as in Ontario, there are three lines of thought. The Liberal party and the Conservative party believe in the policy of free enterprise. True, both parties believe in regulation, that certain things such as hydro-electric and other public utilities, and that large undertakings should be under Government supervision and control; but the rank and file members of the Conservative and Liberal parties believe in free enterprise. That idea is challenged, and bitterly challenged, right now in this country, and will continue to be bitterly challenged until the issue is decided. I do not know how we are to get an accurate reflection of the opinion of the country if 40 per cent of the electorate can elect the next federal Government.

Hon. Mr. SINCLAIR: Is it found in practice that there are more spoiled ballots under the single transferable vote system than under the old system?

Hon. Mr. HAIG: In the first elections, but not afterwards. This is what happened. Everybody was used to marking his ballot with a cross, and it took a little while to get over that habit. Let us suppose that you and I and two other candidates are running. I meet Mr. Jones and ask him, "Whom are you voting for?" He replies, "I intend to vote for Mr. Sinclair." Then I say to him, "Well, you give him No. 4; he will be delighted with that big number. Give me No. 1; I only want "1" after my name."

Some hon. SENATORS: Oh, oh.

Hon. Mr. HAIG: Quite a number of candidates in the first election got votes they were not entitled to, of course, but in subsequent elections the voters had learned how to mark their ballots in the order of preference.

Hon. Mr. SINCLAIR: But that would not be a spoiled ballot?

Hon. Mr. HAIG: No. We amended the law later on, and now we have no more spoiled ballots than we had under the old system.

Hon. Mr. ASELTINE: In Manitoba under the system of the single transferable vote can an elector mark his ballot for just one candidate; that is, plump for him?

Hon. Mr. HAIG: Yes, he can plump for one candidate, and the ballot is good for that name.

Hon. Mr. SINCLAIR: If there is no other choice?

Hon. Mr. HAIG: Correct. From 1922 on not a single member in Manitoba has ever protested against the system. It is never even mentioned. Ever since we have had a coalition Government the single transferable vote has solved every election problem. In a constituency where you have several coalitionist candidates and one opposition candidate, what are you going to do? Under the single transferable vote system you vote one for the first

coalition candidate, two for the second, three for the third, according to your choice, and the successful candidate gets an absolute majority of the votes.

Hon. A. L. BEAUBIEN: What was the result prior to the coalition?

Hon. Mr. HAIG: There were only two parties up to that time.

Hon. A. L. BEAUBIEN: But where there were three candidates?

Hon. Mr. HAIG: Suppose a candidate has a majority of 100, and the third candidate has only 150 votes. Some of those votes will die, and some will go each way; so there are never enough votes to overcome the majority of 100. But in the case cited by my honourable friend (Hon. Mr. Aseltine) of 6,400 for the C.C.F. candidate, 5,800 for the Progressive Conservative candidate, and 5,400 for the Liberal candidate, I do not know how those 5,400 would be allotted. You may think you know, but you don't. It would depend largely on the candidate.

Hon. Mr. SINCLAIR: There would have to be second choices.

Hon. Mr. HAIG: I know. But whom would the second choice be for? That is the crux of the matter. All I am saying is that the system eliminates the danger of a minority government being elected. There may be a minority government as a result of the next federal general election, because Manitoba, Ontario, British Columbia and other provinces may return minority groups of twenty-five members each, making up the total membership of the House of Commons. I do say that if you had the single transferable vote in effect, all the members from Manitoba would come here with a majority of their constituents behind them. If a C.C.F. candidate gets 6,000 votes, a Liberal candidate 5,000 and a Progressive Conservative 4,000, no one can stand up and say to the C.C.F. man, "You don't represent the majority in your constituency," because if a majority of the second choice votes went to him he would be elected; or if they went to the Liberal candidate he would be elected. In city voting you would be surprised at the number of candidates who lead at the start and later are crowded out. We have not had to meet that condition in the rural parts, because until recently we had only two parties.

I am strongly in favour of the single transferable vote, and that is why I have intervened in the debate.

Hon. A. L. BEAUBIEN: Honourable senators, I do not think adoption of the single transferable vote would solve the problem, as my honourable friends seem to think it would. Some years ago I was a member of a committee of the House of Commons which made a very extensive study of voting systems in various parts of the British Commonwealth of Nations, in the United States and in other countries. Mr. John MacNicol, who was chairman of that committee, is, I think, one of the best posted men in Canada on the systems of voting now in use in every country of the world. The committee was almost unanimous in the conclusion that the single transferable vote would not solve the problem we were then studying, and that proportional representation in rural constituencies would necessitate constituencies of such an extensive area that it would be almost impossible for any member to keep in close contact with any large percentage of the electorate. Take the province of Manitoba. The honourable senator from Saltcoats (Hon. Mr. Calder) said that no member from that province could come to the House of Commons unless he represented a majority of the electors of his constituency. If I am not correct in my interpretation of his remarks, I hope he will set me right.

Hon. Mr. HAIG: A majority of those who voted.

Hon. A. L. BEAUBIEN: In Manitoba we have the single transferable vote, and it applies where there are more than two candidates. We find that the successful candidate is elected because he gets a few transfers from the votes cast for the third candidate. But if you look at the election records for the province you will see that in every constituency where proportional representation and the single transferable vote are in effect a large percentage of the votes cast for the eliminated candidate are not counted, for no second choice has been made, and consequently the member elected has not the support of the majority of the electors. If my honourable friend the acting leader opposite (Hon. Mr. Haig) will look at the Manitoba figures, I think he will find that very situation.

Another subject that was studied very extensively by the committee was compulsory voting as they had it in Australia. I am very much in favour of compulsory voting, but it is almost impossible to apply, because you have to give exemptions. You cannot prosecute everybody who, for certain reasons, fails

to vote. The exemptions were so numerous in Australia that they have discontinued compulsory voting.

Hon. Mr. LAMBERT: Oh, no.

Hon. Mr. A. L. BEAUBIEN: I think they have.

Hon. Mr. LAMBERT: No, no. That is not true.

Hon. A. L. BEAUBIEN: Well, they certainly have not been able to put it into effect as they would like to do.

Hon. Mr. LAMBERT: As the honourable senator has mentioned Australia, I may say that compulsory voting has been in force in that country since 1926, and the percentage of votes polled there has increased from less than 70 per cent to over 90 per cent. While there were a number of spoiled ballots, they were not sufficient to offset the increase.

Hon. A. L. BEAUBIEN: I think the honourable senator will find that the evidence given before the Committee of the House of Commons does not warrant what he has just said. That could be ascertained from Mr. MacNicol, who knows more about the subject than anybody else.

In any event many exemptions have to be given, but I would rather have compulsory voting than the single transferable vote. It would relieve members of Parliament of the necessity of spending their own money in order to get people out to vote.

Certain features of the Bill which have been mentioned should be eliminated or amended, and I am glad to know that the leader on this side will propose some amendment.

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

REFERRED TO COMMITTEE

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

Hon. Mr. KING: I would move that the Bill be referred to the Committee on Banking and Commerce, which, with the consent of the honourable members opposite, and those about me, might sit this evening at, say, 8.30 o'clock.

Hon. Mr. HAIG: I am very sorry that we cannot do that. We have an engagement.

Hon. Mr. KING: Could we meet as soon as the House rises?

Hon. Mr. HAIG: We could meet to-morrow morning. Why not make it 10 o'clock in the morning?

Hon. Mr. KING: In going over the Order Paper I find that apart from the measure we are now discussing there is little left which need delay us very long, and if we make good progress we may be able to clear our Order Paper by Friday afternoon, when there will be a Royal Assent. Two of the Bills we have passed should be assented to on Friday. Could the Committee not meet now for an hour?

Hon. Mr. HAIG: Until 6 o'clock?

Hon. Mr. KING: Until 6 o'clock.

The motion was agreed to, and the Bill was referred to the Standing Committee on Banking and Commerce.

COMMITTEE MEETING

Hon. Mr. KING: I move that the House do now adjourn.

Hon. Mr. BLACK: The Committee on Banking and Commerce will assemble in Room 262 as soon as we adjourn?

Hon. Mr. KING: Yes.

The Hon. the SPEAKER: It would not be in order to convene the Committee on Banking and Commerce from the Chair, but I should like to point out to honourable senators that the Standing Committee on Banking and Commerce will sit immediately after the adjournment of the House.

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

THE SENATE

Thursday, June 29, 1944.

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

Prayers and routine proceedings.

CRIMINAL CODE AMENDMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 139, an Act to amend the Criminal Code.

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.

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, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber on Friday, June 30, at 5.50 p.m. for the purpose of giving the Royal Assent to certain bills.

WAR SERVICE ELECTORS AND PRISONERS OF WAR VOTING BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK, Chairman of the Standing Committee on Banking and Commerce, presented and moved concurrence in the committee's report on Bill 136, an Act to provide regulations enabling Canadian war service electors to exercise their franchise, and Canadian prisoners of war to vote by proxy, at any general election held during the present war, also to provide amendments to the Dominion Elections Act, 1938, consequential to such regulations, or made necessary by the advent of the said war.

He said: Honourable senators, this Bill has been considered by the committee and is reported with two slight amendments.

The Hon. the SPEAKER: When shall said amendments be considered

Hon. Mr. KING: Now.

Hon. Mr. MURDOCK: I should very much like to see these in writing. I think the rules provide for one day's notice.

The Hon. the SPEAKER: Next sitting.

DEPARTMENT OF VETERANS AFFAIRS BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK, Chairman of the Standing Committee on Banking and Commerce, presented and moved concurrence in the Committee's report on Bill 83, an Act to establish a Department of Veterans Affairs.

He said: Honourable senators, this Bill is reported with minor amendments.

The motion was agreed to.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: I would move the third reading now.

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

SURPLUS CROWN ASSETS BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK, Chairman of the Standing Committee on Banking and Commerce, presented and moved concurrence in the committee's report on Bill 137, an Act respecting Surplus Crown Assets.

He said: Honourable senators, the Committee on Banking and Commerce has examined this Bill and made one minor amendment, a purely clerical one: that the word "had," on page 4, line 9, be changed to read "has."

The motion was agreed to.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time.

Hon. Mr. KING: I would move third reading now.

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

MR. FRASER'S VISIT TO CANADA

JOINT MEETING OF SENATE AND HOUSE OF COMMONS TO BE ADDRESSED BY PRIME MINISTER OF NEW ZEALAND

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, I have an announcement to make before we proceed with the Orders of the Day. The Right Honourable Peter Fraser, Prime Minister of New Zealand, will be in the city to-morrow, and at 3 o'clock will address a joint meeting of both Houses of Parliament in the Commons Chamber. The usual arrangements will be made for our accommodation, and I think we should try to be in our seats on the floor of the other House fifteen minutes before 3 o'clock. In view of this engagement, if it meets the wishes of honourable members, at the end of our proceedings to-day I shall move that the Senate stand adjourned until 4 o'clock to-morrow afternoon.

Hon. Mr. HAIG: Give notice to that effect.

The Hon. the SPEAKER: Honourable members, I should like to point out that arrangements have been made for our accommodation on the floor of the House of Commons similar to those which were made when Mr. Curtin addressed the members of both Houses. It has been suggested that at least five minutes before 3 o'clock honourable senators should enter the main door of the other Chamber, where attendants of the Senate will be present to see that the seats reserved for honourable members are not occupied by other persons.

SUSPENSION OF RULE

NOTICE OF MOTION

Hon. J. H. KING: Honourable senators, I hope we may be able to dispose of most of the measures on the Order Paper in time for Royal Assent to-morrow. As you are aware, the honourable senator from Parkdale (Hon. Mr. Murdock) has objected to the report of the Committee on Banking and Commerce on Bill 135 being dealt with to-day, and therefore it will be proceeded with to-morrow in regular order. However, I should like to be in a position, even if there is prolonged debate on the report, to dispose of it to-morrow and give the Bill third reading. Accordingly I give this notice of motion:

That rule 24 (*b*) be suspended in so far as it relates to Bill 135, an Act to provide regulations enabling Canadian War Service electors to exercise their franchise, and Canadian prisoners of war to vote by proxy, at any general election held during the present war, also to provide amendments to the Dominion Elections Act, 1938, consequential to such regulations, or made necessary by the advent of the said war.

Hon. Mr. MURDOCK: Would acceptance of that motion prevent a member from speaking two hours on the Bill?

Hon. Mr. KING: No, no; the honourable member may speak for more than two hours if he so desires.

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill K5, an Act for the relief of Everett Roy Clow.

Bill L5, an Act for the relief relief of Elmore MacLean MacKay.

DEPARTMENT OF RECONSTRUCTION BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 82, an Act to establish a Department of Reconstruction.

He said: Honourable senators, consideration of the subject-matter of this Bill has gone far beyond the bounds of Parliament; boards of trade, city councils, provincial governments and various other public bodies have devoted considerable time to its discussion.

In 1939, within the first few months of the war, the Government set up committees of specialists to study projects for reconstruction and re-establishment after the war. This Bill is based on recommendations contained in reports which those committees have made to the Government. It will be observed that the proposed Department of Reconstruction will be under the control of a Minister, who will have the assistance of such officials as may be required to carry on his executive work. It will be his responsibility to study the various projects submitted and to bring them to the attention of the Governor in Council for acceptance or rejection.

The Governor in Council having decided what projects shall be undertaken, those projects will be referred to the Department of Government best suited to carry them out. Where a provincial Government is concerned, the federal authorities will confer with it as to the most efficient way to administer the undertaking. A similar practice will apply where municipalities and other public bodies are interested.

I do not think any useful purpose would be served by my reviewing what has been done by the various committees that have studied the problems of reconstruction and re-establishment.

Hon. Mr. BLACK: Will an additional Minister be appointed for this new Department, or will it be in charge of one of the present members of the Cabinet?

Hon. Mr. KING: The Prime Minister intimated in another place that no new Minister would be appointed, but that the proposed Department of Reconstruction would be placed in the hands of a present member of the Government.

Hon. JOHN T. HAIG: Honourable senators, I have followed very carefully the debate on this Bill in another place, and while I have no objection to the motion for second reading, it struck me that throughout that debate many of the members did not appear to have any realization of what conditions will be when the war is over.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. HAIG: That realization seems also to be lacking throughout the country. Take my own province. I do not know the exact figure, but the cost of the projects suggested to the legislature would exceed $100,000,000. When I left Winnipeg two weeks ago the figure for Saskatchewan was much higher, and now, with a new Government in office, it will probably exceed $200,000,000.

Hon. Mr. KING: I do not want to interrupt the honourable senator; but I would remind him that certain post-war projects have been studied by a committee of the other House, and the briefs and other information

submitted in support of those projects will be turned over to the proposed Department of Reconstruction.

Hon. Mr. HAIG: I told my honourable friend at the outset that I am not objecting to the Bill. What I am objecting to is the reckless spirit that is abroad in this country. For instance, although I forget the exact figure, the cost of various works proposed for my home city of Winnipeg runs into millions of dollars. That spirit prevails right across Canada. In fact, the provincial government is criticized if its suggested programme does not exceed $200,000,000. That is not the right attitude of mind towards this subject.

I understand that certain political parties are going up and down the country voicing this theory: If we can raise money to conduct a war and put everybody to work, we can raise money in peace-time and put everybody to work. I am not sure that theory is sound. In wartime our backs are to the wall. Most honourable members will recall the anxious days of 1940, when from about the 1st of April to the end of October we found it difficult to sleep at night because we were worrying over our extremely critical situation. In fact, everybody in this country worried until the Germans launched their attack against the Russians on the 21st of June, 1941. Then we knew we had a chance of survival. Prior to the war we had an annual income of about $4,000,000,000; now it is more than $8,000,000,000. No one knows what it will be after the war. We shall have to sell our raw materials and our manufactured goods in the markets of the world. True, a portion of them will be used at home, but the overplus we shall have to export. In return, we shall have to buy goods in the markets of the world, because, like Great Britain, the continental countries of Europe will have few foreign investments, little shipping, and no capital for financing on an extensive scale. Those substantial sources of income, called invisible imports, have nearly all disappeared. Instead of encouraging people to come forward with grandiose schemes, I should like to have somebody tell the idealists who have been running wild up and down this country for the past two years, that under the conditions which will exist at that time all we shall have to spend is what the country earns. I think it was the province of Saskatchewan which passed an income tax law providing that anybody who got less than $10,000 was to pay no tax. Well, the result was that they did not get enough money by the tax to pay for the machinery necessary to collect it. What is the situation under our own system of taxation? We are able to get the large amounts we do because the minimum taxable income is placed at a very low figure and large numbers of people have been brought under the tax. We should get down to a realistic basis, and the people of this country should realize that nothing can be done to take care of our men when they return from overseas more than we can do ourselves. I hope the Minister, whoever he is, will be a realist, and that when the war is over we shall know what we are doing.

It may be said by some that because I am a senator I do not appreciate the idealism of these times. Well, honourable senators, we have all lived long enough to be familiar with some things which have taken place. For instance, in 1934 the people of Alberta were going to pull themselves up by their bootstraps. I remember one man saying, "Income for the year is so much—say about $200,000,000—you can divide it in any way you like, but that is all there is to divide, and you cannot get more than that." Canada has some eight billions of income to divide among the people of this country, provided the figure does not go down, and that income depends upon our outside trade. That being so, I want the Minister to see what can be done with the machinery we already have, our industrial and farming communities. The Department of Soldiers Civil Re-establishment is going to buy up land in Manitoba to re-establish soldiers after the war. But believe me, at the price it is able to pay it is not going to get the best land. Any farmer in this House will tell you that is a mistake; that no matter what you pay for it, first-class land is cheap, and second-class land always dear.

Hon. Mr. EULER: That is the mistake that was made after the last war.

Hon. Mr. HAIG: I admit that, and I say we should not be caught twice in the same error.

I am supporting the Bill. I hope an able man is appointed to administer it. If I may sound a political note, I would say that no one knows now who that man may be, because before the Act is put into full operation there will be a general election in this country, and anybody who can forecast the result is a better prophet than I am.

Hon. Mr. EULER: You would not expect his name to be inserted in the Bill.

Hon. Mr. HAIG: I certainly should not.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Why wouldn't you?

Hon. Mr. HAIG: If I were in the confidence of Mr. Coldwell or Mr. Bracken, I might be able to tell you who that man might be, though even then I should not be very certain.

Hon. Mr. COPP: Would you hazard a guess?

Hon. Mr. HAIG: No, I would not hazard a guess.

Hon. Mr. EULER: It might come too close home.

Hon. Mr. HAIG: After going through six general elections one learns that things sometimes slip and do not turn out as desired.

I am not going to say any more. I stand four-square, as we all do, for the principle that the men and women who come back to this country must be our first consideration. No other issue is so important. It was an important issue after the last war, but this time it is doubly important. It is true there might have been trouble after the last war, but the situation to-day is entirely different, and the men and women who have gone overseas and offered their lives—and the number of these people is large—must be taken care of. At this time, also, there are the people who have gone into industry. Women will not want to go back from offices and factories to the ordinary affairs of life. There is no doubt about that. They have grown accustomed to regular hours, and it will be a little difficult for them to become satisfied with domestic life again, as many did after the last war.

I am in entire accord with the Bill, but I maintain that in working out our problem we should not overlook the machinery already in this country, and we should not fail to get the co-operation of our industrialists, manufacturers, farmers, fishermen, and lumbermen. I would rather have the opinion of a Manitoba farmer on the problem of reconstruction than that of the principal of McGill College. I would rather have the opinion of a Nova Scotia fisherman as to what can be done in the fishing industry than the opinion of any professor in the country; and I think that is the basis on which we should work.

Hon. J. A. CALDER: Honourable senators, I have only a word or two that I should like to say in reference to this Bill. I am not going to oppose it or object to it, mainly because I do not know the background of its origin.

We all agree that from coast to coast throughout this country there has been a tremendous amount of discussion on rehabilitation and reconstruction. That is all to the good. The discussion of this subject by various organizations has undoubtedly been very helpful. As my honourable colleague to my left (Hon. Mr. Haig) has said, there is a great deal of idealism abroad at the present time. That is not a bad thing, either. But many people are looking for a sort of golden age for themselves, their families and their communities. A golden age, with increased salaries and all sorts of benefits for everyone, would be very fine, but it is not realistic. I listened over the radio the other night to a group of artists discussing community centres for the advancement of art and that sort of thing. That is desirable. But this country and every other country participating in the war is facing a problem that one day will be very real, and it will not consist of all the dreams that are floating about in the world to-day.

Let me briefly illustrate what the conditions may be a very few months from now. As we all know, the war at this moment is progressing favourably on every front. The Germans have not won a major victory anywhere for probably a year and a half or two years. On the contrary, they have met with great reverses on every front. The might that has been brought into existence by the Allied Nations is so vast that the German forces are not able to stand against it anywhere in the world to-day. It has been said, or at least it has been strongly hinted, even by Mr. Churchill himself, that this struggle may end comparatively soon. If that is so, then Canada and every other nation fighting the war should prepare as far as is humanly possible to meet the situation which will follow. It will come suddenly. As we all know, the end of the last war came over night. Nobody expected victory in 1918, yet it came; and the same thing may happen again. Therefore the main task for our Government to-day is to do what?

Hon. Mr. KING: To get ready.

Hon. Mr. CALDER: To get ready just as early as it possibly can, and for the time being to forget these dreams, because we shall have some very real problems that will have to be taken care of, and that very soon. Have I made myself clear? I am sure I have. I am sure there is not a member of this House who fails to recognize what the situation is.

What is the picture to-day? We have in the armed services to-day somewhere in the neighbourhood of eight hundred thousand men who have been taken away from their homes and vocations, some of whom have been absent from Canada for four years. When this war ends they will have to be properly taken care of as soon as they reach Canada, and any government which is not concentrating on that problem before every other problem is not doing its duty.

The soldier problem will not stare us in the face immediately, because very few of those men will be home within six months after the

war ends. It will probably take a year to bring them home, and the chances are that some of them will have to remain behind for a time. But there is another problem which will face us immediately, and that is the problem of those people who, by the thousands, have been taken from their homes and put into industry. That is a problem which will come upon us over night.

When the war ends, what is going to happen to all the industries in Canada which to-day are making all sorts of things for the war? They are going to close their doors. There will be no more need of their making trucks and tanks, munitions and shells and so on. To continue to do so would be wasteful. Consequently these factories and plants, which are now working at top speed, will of necessity close down. So our first problem when the war ends will be to take care in some way or other of the very many thousands throughout Canada who will be turned out of the industries in which they are working. That situation is one upon which the Government should concentrate, in consultation with industry—it may already be in consultation with the provinces; I don't know—so that a department, or several departments, will know exactly what they have to do when the time comes. I am only giving the heart of the problem.

One feature of the Bill I do not like. The department which is to be set up is more or less a consultative department. Well, I hope at least that the department will begin its consultative work very soon, and make recommendations to the Government at the earliest possible moment, and that in turn the Government will waste no time in providing machinery to carry out those recommendations.

There is another point to be considered. The work of the department will be largely along new lines, and the executives in charge of it should know just what ought to be done, and where, when and how it ought to be done. Training of men for the key positions cannot be done in a day or a week or a month, and the Government should undertake it without further delay. I know something about rehabilitation and reconstruction problems, for, as I remarked on a previous occasion in this House, I worked on such problems after the last war ended. In that work I was associated with Mr. Vincent Massey, the present High Commissioner at London. Our efforts in many respects were not entirely successful, and the reason is not hard to find. For probably a century the world had not experienced anything like what happened in the last war, and there was nothing to guide us in our post-war programme. But now we know the mistakes that were made after that war ended, and so far as humanly possible we should avoid making them again.

If the Bill in its present form is passed I should like to see an able man appointed at once to head the department. He should be a man of sound judgment, who is not afraid to act, and as soon as he makes his recommendations the Government should frame a programme in readiness for the post-war period.

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

REFERRED TO COMMITTEE

Hon. Mr. KING: Honourable senators, our Parliamentary Counsel, after consulting with the Government, has suggested two or three amendments to this Bill. I would therefore move that the Bill be referred to the Standing Committee on Banking and Commerce, for consideration to-morrow morning.

The motion was agreed to.

NAVAL SERVICE BILL

SECOND READING

Hon J. H. KING moved the second reading of Bill 112, an Act respecting the Naval Service of Canada.

He said: Honourable senators, as this legislation is of a highly technical character, relating to matters on which few if any of us are well informed, I feel it would be wise to confine my remarks to a summary of the statement made by the Minister of Naval Service in another place. The purpose of the Bill is to amend and consolidate the Naval Service Act, which was first passed in 1910 and now appears as Chapter 139 of the Revised Statutes of Canada, 1927. Since the original Act was passed there have been only three minor amendments to it, and changed conditions, brought about mostly by the war, have made necessary the revision now proposed.

The Department of Naval Service has been operating under the present Act and the United Kingdom Naval Discipline Act of 1866, as well as under a number of Canadian and British regulations and orders. Considerable difficulty has at times arisen because of the cumbersome procedure of consulting a large number of orders and regulations in search of authority for decisions, and the difficulty has been increased by the fact that on certain points Canadian orders and regulations conflict with British orders and regulations. The Naval Discipline Act of 1866, with minor modifications to suit Canadian requirements, will be incorporated in Part II of this Bill.

During the last four and a half years Canada has built up a considerable naval force. Throughout that period the Department of Naval Service has been subjected to heavy stress and strain, and it seems to me that in such circumstances it should be highly commended for going ahead with the framing of this important measure. Passage of the proposed amendment will enable the naval authorities to consolidate the great mass of legislation which is now applicable to our Naval Service. Honourable members will perhaps be surprised to know that provisions applicable to this service are to be found in no fewer than eleven different sources. It is hoped that when the new Act is passed the Department will be able to embody the whole of our naval law and regulations in two volumes.

Certain amendments to the Bill have been suggested by the Department and by the Parliamentary Counsel of the Senate. After second reading is given I shall move that the Bill be referred to the Standing Committee on Banking and Commerce, where honourable members will have an opportunity to question departmental officers.

Hon. WILLIAM DUFF: Honourable senators, I hope that on this very warm day you will allow me to devote a few moments to this Bill, and also to speak to a matter which is very closely connected with it.

I hold no brief either to support or oppose this Bill, nor has any person asked me to speak on this measure. However, as one who throughout his life has been interested in marine and naval matters, and who, especially during the last few years, has watched with great interest what Canada and Great Britain have been doing in regard to naval affairs, I feel it my duty to approve this measure. I have had an opportunity of looking over it. As the honourable leader of the Government (Hon. Mr. King) has said, it is practically a regulatory bill to bring the Naval Service of Canada into closer touch with the practice of the British Admiralty. And I do not need to tell you that so far as the British Navy is concerned we are always proud to regard it as the senior service of this great Empire and the leading Navy of the world. Under God's wisdom the British Navy has always been the bulwark of freedom, and with all due deference to our soldiers and airmen, the senior service is playing a major part in bringing victory to the Allied nations.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DUFF: The honourable leader of the House has said that the Bill will need to be amended in a few particulars. I came to the same conclusion after perusing its clauses, yet I thought we might well pass the measure in toto and give it third reading at the next sitting of the House.

But, honourable senators, I rose not so much to discuss this Bill as to direct attention to the human element which must be guided by rules and regulations laid down by this Parliament. I remember in 1938, before the outbreak of war, having the honour, and perhaps the pleasure of discussing what part Canada should play if war should be declared. Honourable senators know as well as I do that when Canada entered the war by the side of Great Britain and France we had virtually no Navy. But, to the credit of the Parliament and the people of Canada, we voted immediately, not millions but hundreds of millions of dollars to place our Navy on a war footing. At that time, as honourable members will recall, the British Government gave us a certain number of ships, and these were manned by Canadian officers, most of whom had, some years previously taken courses in the British Navy, and by our boys from every province. Immediately steps were taken to put our shipyards into operation, and soon they were busy building small naval vessels, such as corvettes and minesweepers, and it is to the credit of the workmen that the ships were launched in a very short time. For the past two or three years those ships have been active on all the seven seas, assisting in the successful fight against U-boats and in convoy duty.

For a country like Canada, with a small merchant marine and few facilities for training seamen for the Navy, the building and manning of these new naval craft was quite an undertaking. But all difficulties were overcome; the blood of the sea ran in the veins of our young men from the Atlantic to the Pacific, and the lads of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and the Maritime Provinces responded promptly when the call came to join our naval forces. They proved apt sailors, and their seamanship and fighting qualities soon placed them in the forefront of the Allied navies.

This afternoon I rise to pay tribute to those boys. When their names appear in the casualty lists we find that those boys were killed or wounded in action in the North Atlantic protecting our convoys from U-boat attacks, or in the Bay of Biscay fighting German naval vessels, or in Norwegian waters, assisted by those gallant Norwegians who came over here to finish their training for naval service so that they might fight the common enemy. We remember with pride that some of our Canadian destroyers helped to sink the great battleship Bismarck, thus seriously crippling

Germany's naval strength. Many of our gallant lads in the Royal Canadian Navy came from the farms of Western Canada and had never seen the ocean until they joined their ships. To-day as we read in the newspaper reports that our ships are in the Straits of Dover and in the North Sea, guarding the transports carrying Allied troops across to France, we lift our hearts in thankfulness to Providence that at the outbreak of war the people of Canada rose to the occasion and, discharging their duty to the full, organized a Navy which for its size is second to none.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DUFF: I do not intend to give statistics showing the development of our naval strength; it is not necessary. But I deem it my duty to pay this tribute to our gallant lads of the Royal Canadian Navy, and to extend my sympathy to their mothers and fathers, wives and sweethearts, who, I am sure, must be thinking—"Where is my wandering boy to-night?" I am confident that all honourable senators will join in the prayer of those parents that God in His own good time may bring back the boys who had the courage and the guts to join the Royal Canadian Navy and fight so that freedom shall not perish.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DUFF: I repeat, honourable senators, we must extend our sympathy to those whose boys are facing the perils of the sea while on active duty in the Naval Service of this country. The anxious feelings of their parents are, I think, beautifully expressed in this noble hymn:

Eternal Father, strong to save,
Whose arm hath bound the restless wave,
Who bidd'st the mighty ocean deep
Its own appointed limits keep;
O hear us when we cry to Thee
For those in peril on the sea.

O Christ, whose voice the waters heard,
And hushed their raging at Thy word,
Who walkedst on the foaming deep,
And calm amidst its rage didst sleep;
O hear us when we cry to Thee
For those in peril on the sea.

Most Holy Spirit, who didst brood
Upon the chaos dark and rude,
And bid its angry tumult cease,
And give, for wild confusion, peace;
O hear us when we cry to Thee
For those in peril on the sea.

O Trinity of love and power,
Our brethen shield in danger's hour;
From rock and tempest, fire and foe,
Protect them wheresoe'er they go;
Thus evermore shall rise to Thee
Glad hymns of praise from land and sea.

Honourable senators, I salute the boys of the Canadian Navy.

Some Hon. SENATORS: Hear, hear.

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.

CANADIAN HISTORY—UNIFORM TEXT-BOOK

DEBATE CONTINUED

The Senate resumed from Friday, June 23, the adjourned debate on the motion of Hon. Mr. David:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments in all schools under their direct or indirect jurisdiction or control.

Hon. C. B. HOWARD: Honourable senators, my intention is to support the resolution presented by the honourable senator from Sorel (Hon. Mr. David). The founders of this great country of ours aimed to maintain two civilizations, each with its own identity, within the borders of one domain. That was an experimental ideal, but it has been realized. Do I need to rehearse to you the many and immense advantages of living in this land of ours which has two languages, two creeds and two hereditary traditions? You know all too well to what extent each of these cultures has made its contribution to the common cause of building one of the foremost liberal democracies of the world, where freedom of thought, speech and action prevails in fullest degree. Let me say right here and now that freedom is not synonymous with licence, but rather with liberty under just and democratic laws.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HOWARD: Someone has well said, "The price of liberty is eternal vigilance." Let us then rededicate ourselves to vigilance and more vigilance, lest we lose the dearest possession we have, the thing which our sons and daughters are now giving their very lives to preserve. Let us never lose sight of our common purpose to direct our united efforts toward maintaining these high ambitions of

our ancestors. In my humble opinion that unanimity of purpose can be best fostered by the freest possible functioning of each nationality in its own best way, and by each element contributing what is essentially its very own toward building a composite, colourful unique whole, incorporating in its body politic so many varied national facets.

In making available for our schools a uniform history text-book, I feel we are taking a decided step in the right direction. Let us make no mistake: both civilizations have reason to be proud of their respective roles in the development of Canada to its present high, and still higher-soaring place in the world commonwealth of nations. I suggest that three French-speaking and three English-speaking historians of the highest calibre be selected at once to collaborate in drafting a real national Canadian history. I can see no reason why the chronology of such a work cannot be preserved and even enhanced by the interpolation of any events of interest to the particular province in which they occurred. The basic history could be supplemented by additional subject-matter pertinent to the province in which it is to be used. Such a policy would furnish a complete and comprehensive historical record of the roles played by the various provinces in the entire Canadian pageant.

Any person, no matter of what nationality, admires the stories of French heroism during the first settlements in this country, the heroic fights of the pioneers against the Indians, the stories of Madeline de Vercheres', Brebeuf's and Dollard's heroism, and of those thousands of unnamed French-Canadians who cleared the ground, and raised the crops in that then unknown land, the Canada of to-day. Let us not forget that invading American army coming through the wilds of the Kennebec river country, crossing at Lake Megantic and coming down the Chaudière, expecting to find the French-Canadians disloyal to the British Crown and eager to help them in their attempt to take Canada, only to discover to their surprise, when they reached the flats of Beauce, that the French-Canadian farmers of the whole district were loyal to the British Crown. Their descendants have remained so ever since. Let us not forget that the attack on Montreal was thrown back by French-Canadians loyal to the British Crown. Let us not forget the contribution of French-Canadians in art, in music, and in other cultural developments up to the present day. Let us also not forget what the English-Canadian has contributed to develop this country of ours. Everyone reads with pride the history of the construction of the Canadian Pacific Railway. Everyone knows that it almost bankrupted the whole country. Yet because of one man's idealism, and his belief that Canada could not achieve its appropriate national status without a railway connecting all the provinces of the Dominion, we have that great transcontinental system to-day. Let us not forget what English-Canadians have done in the Canadian West, the financial institutions they have set up throughout the country, the mining ventures they have entered into, and the advances they have made in medical science and the establishment of universities and educational systems.

I cannot agree with the honourable senator from the Laurentides (Hon. Mr. Bouchard) that the existence of certain elements in our midst should cause us undue alarm. There are, and undoubtedly always will be, apparently subversive organizations in a free and liberal democracy; but contrary to his fears, they may well signify a healthy normalcy of government. To my mind these secret elements in our society are comparable to the fearful child who attempts to hide some new experience from his parents. At that particular stage of his immaturity he does not or cannot comprehend the scope or intent of the parental plan for his present or future welfare and development. Such a state of mind on the part of any sizable group calls for, indeed challenges, the understanding of our present leadership to educate and direct it towards the broad comprehensive idea of "all for one" and the sacrifice of "the lesser for the greater."

Up to the present time history has proven how futile is any attempt to control human emotions. Rather than try to suppress what appears to be undesirable group agitations, experienced leaders have found it wise to let these feelings have some sort of outlet. Such a group as the Jacques Cartier Order no more represents the public opinion of the province of Quebec than other secret organizations in Ontario, the Maritimes, or Western Canada, represent the opinion of the people of those provinces. Such under-cover groups flourish at present, not only in Canada but in all the countries of the world. They denote a forward-looking, visionary trend among the masses, as yet untempered by experienced judgment and mature intelligence. The true sentiment of the majority in Quebec, as elsewhere, is expressed by its leaders.

When we speak of leaders, it is known to everybody in this Chamber, and to most people throughout this country, that all parts of Canada have been favoured by their ability to provide great leaders. Among the leaders of French-Canadian extraction in the federal field have been the famous Cartier and Sir Wilfrid Laurier, both from the province of Quebec.

Among the leaders in the provincial field in that province, who stand out with the leaders of any country, I would mention the Merciers, the Parents, the Gouins—one of whom we have in this House—and Alexandre Taschereau, whom everybody in this House knows as one of the greatest statesmen Canada has produced.

Then, coming to the leaders of the present time, I want to say a word about the Prime Minister or Leader in the province of Quebec, Mr. Godbout. Here is a man who springs from the common people of one of the lower counties in Quebec. He is from the people, of the people and for the people. Only one who has lived among them, who knows their traditions, their background and their interests, and who can understand and interpret their thoughts and feelings, can imbue them with enthusiasm for the larger prospect—the advantage of a co-ordinated Canada. Premier Godbout can accomplish the seemingly Herculean task of orientation of this large and important group in Canada's bilingual set-up. He it is who can enlarge their vision to include the other viewpoints so necessary to that desired co-ordination.

(Translation):

Mr. Godbout is not only the first citizen of his province; he symbolizes as it were the Quebec citizen. Not only does he represent his people, but he personifies them. Through him I extend to the province of Quebec the tribute of a citizen who does not belong to the majority in that province, but whose rights are just as surely protected and guaranteed as if he were himself one of the majority.

The Prime Minister of the province of Quebec symbolizes those who have chosen him as the leader of their provincial government. Through his tastes, his gifts, and even his bents, if not through his failings, he is the very image of his people. First among his failings is his diffidence, which sometimes compels his best friends to go against his wishes in order to do him justice.

To the inborn qualities which Mr. Godbout has inherited from his race, must be added those he has acquired through extensive studies. He has dedicated himself wholly to agriculture, and during his entire life that basic industry which is the very essence of Canadian life, the tilling of the bountiful and life-giving Canadian soil, has held the first place in his thoughts.

After receiving a classical education at the Rimouski seminary, where he graduated as a Bachelor of Arts, he obtained the degree of Bachelor of Science in agriculture after a course of studies at the Agricultural College of Sainte-Anne de la Pocatière and at the Massachusetts Agricultural College. He taught for many years at his alma mater and in 1922 he was appointed agricultural expert for the county of L'Islet.

Elected to the Quebec legislative assembly in 1929, he was, on account of his personal qualities and his extensive studies, the logical choice for the position of Minister of Agriculture. He entered the cabinet in 1930. His work as Minister of Agriculture earned him the attention of the whole province. Six years only after his entrance into politics, he became leader of his party and afterwards Prime Minister of his province.

It was especially as Prime Minister that he made his influence felt. In order to convey some idea of his work I shall give an incomplete and sketchy list of the measures which through him were implemented in the province of Quebec: family allowances, old age pensions, pensions to the blind, improvement in the working conditions of the labouring class, compulsory education in the schools of the province, free school-books, provincial assistance to farmers, fishermen and settlers; and protection of public health through health units that are a model for public health services in America.

That work, the effect of which has been felt in the remotest corners of the province, and which makes the Quebec administration a model that many other governments endeavour to imitate, has not passed unnoticed.

To pay tribute to Prime Minister Godbout is to honour the whole province of Quebec, the French-Canadian as represented and exemplified by Mr. Godbout, the typical Quebec French-Canadian that Mr. Godbout is.

Hon. ANTOINE LEGER: You have paid tribute to him as if he were dead!

Hon. CHARLES B. HOWARD: He is by no means dead yet.

(Text):

Now, honourable senators, the reason why I have taken this opportunity of speaking is that, in a small way, I want to counteract some of the sentiment that has been raised throughout the English-speaking provinces of Canada, and to appeal to the citizens of those provinces and challenge them to emulate, if they can, what has been done by the people of Quebec. It is an historical fact that Joly De Lotbiniere, a Huguenot, was elected in the county of Lotbiniere for both the federal and the provincial houses, and for a short time, in 1878 and 1879, was Prime Minister of the province of Quebec. In the Eastern Townships, in the county of Shefford, the first man elected was the uncle of the Honourable

Jacob Nicol. In 1882 Michel Auger was elected, and, although over eighty per cent of the electors of Shefford were French-Canadian, he was succeeded by a Baptist Minister, Mr. Bullock, who was returned at five general elections to represent that county. His son, Carl Bullock, an English-speaking Protestant, is the member to-day, although the population is now some ninety per cent French.

When it comes to municipal politics, right in Sherbrooke, my home town, English and French mayors are elected turn about every two years. There is a French-Canadian mayor for two years, and then an English-speaking mayor. I could tell you of one election in which a French-Canadian, who had been mayor for two years, decided to run again. Remember, this was in a locality which is to-day eighty-three per cent French-Canadian. That man did not receive a majority in one single, solitary poll in the city of Sherbrooke. An English-speaking Canadian was elected because it was his turn. In Ditton some years ago an English resident, by the name of Caswell, was elected mayor for a number of terms; and in the township of Weedon, a ninety-nine per cent French constituency, an English Protestant, named Skinner, who as far as I know was the only English resident, was elected mayor. The Honourable Jacob Nicol, who is known to most people in Quebec and to many throughout other parts of Canada, was chosen as provincial treasurer. He was elected in the county of Richmond, a French-Canadian constituency. At a later election he was returned in Compton, which has a large majority of French-Canadians. I was elected to the House of Commons at four consecutive general elections, in a constituency where eighty-two per cent of the people were French-Canadians.

I mention these facts because I am one of those Canadians who want the people in all parts of this country to be Canadians, and I deprecate any remarks against Quebec, Ontario, or any other part of this Dominion.

To my English-speaking fellow citizens in Quebec and other parts of Canada, I want to say that they do not need to worry about Quebec. The ambition of our people, whether English-speaking or French-speaking, is to contribute our share towards making Canada one of the great world powers of the future!

Some Hon. SENATORS: Hear, hear.

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

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until to-morrow, at 4 o'clock in the afternoon.

The motion was agreed to.

The Senate adjourned until to-morrow at 4 p.m.

THE SENATE

Friday, June 30, 1944.

The Senate met at 4 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE PRIME MINISTER OF NEW ZEALAND

ADDRESS TO MEMBERS OF SENATE AND HOUSE OF COMMONS

Hon. J. H. KING: Honourable members, with leave of the Senate, I move:

That the address of the Right Honourable Peter Fraser, Prime Minister of New Zealand, to members of both Houses of Parliament at Ottawa this day, and the other addresses delivered on that occasion, be printed as an appendix to the official report of the Debates of the Senate and form part of the permanent records of this House.

The motion was agreed to.

DEPARTMENT OF RECONSTRUCTION BILL

REPORT OF COMMITTEE

Hon. G. V. WHITE, for the Chairman of the Standing Committee on Banking and Commerce, presented and moved concurrence in the Committee's report on Bill 82, an Act to establish a Department of Reconstruction.

The motion was agreed to.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall said Bill, as amended, be read the third time?

Hon. Mr. KING: I would move third reading now.

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

NAVAL SERVICE BILL

REPORT OF COMMITTEE

Hon. G. V. WHITE, for the Chairman of the Standing Committee on Banking and Commerce, presented and moved concurrence in the committee's report on Bill 112, an Act respecting the Naval Service of Canada.

Hon. WM. DUFF: Honourable senators, I have no objection to the amendments proposed by the Banking and Commerce Committee, but it seems to me that one of the paragraphs in section 2, the interpretation section, should not stand as it now is. I refer to paragraph (f), which reads:

"man" means a person in the Naval Forces holding the rating of chief petty officer or below.

That replaces paragraph (n) of the old law, which reads in this way:

"seaman" includes petty officers, seamen and all other persons engaged in the Naval Service of Canada, other than officers.

I am not sure whether I should move that this Bill be referred to Committee of the Whole so that I and others interested may have an opportunity of stating our views in regard to amending this interpretation clause.

The Hon. the SPEAKER: The motion before the Chair is that the Bill, as amended, be now read the third time. The honourable gentleman may move that the Bill be not now read the third time, but be referred to Committee of the Whole—or to the Standing Committee on Banking and Commerce—with instructions to amend it as follows:—setting forth his amendment.

Hon. Mr. DUFF: Then I move that, instead of the Bill being now read the third time, it be referred to Committee of the Whole for reconsideration.

Hon. Mr. ASELTINE: I am of opinion that the report of the committee has not yet been adopted.

The Hon. the SPEAKER: Yes, it has been concurred in.

Hon. Mr. SINCLAIR: Honourable members, the honourable senator from Lunenburg (Hon. Mr. Duff), was on his feet and speaking when the motion for concurrence in the committee's report was being adopted. I think in fairness to him we should treat the report as not yet adopted.

The Hon. the SPEAKER: I did not see the honourable senator at the time. If I am to understand that he is speaking to the motion for concurrence in the report of the committee, then this motion would be in order: It is moved by the Honourable Senator Sinclair, seconded by the Honourable Senator Wilson, that the Senate revert to consideration of the report to the committee. Is it the pleasure of honourable senators to adopt the motion?

Some Hon. SENATORS: Agreed.

The Hon. the SPEAKER: Carried.

The Senate has now reverted to consideration of the report of the Standing Committee on Banking and Commerce on Bill 112.

Hon. Mr. KING: That permits my honourable friend to suggest an amendment or to move the House into Committee of the Whole.

The Hon. the SPEAKER: The honourable senator has not proposed any specific amendment. He has moved that the Bill be referred to Committee of the Whole for the purpose of reviewing it and giving honourable members the opportunity of suggesting amendments. This is in order.

Hon. Mr. KING: Question!

Hon. Mr. DUFF: I claim I am entitled to represent the people of Canada who are interested in this Bill, and that instead of the report of the committee being concurred in and the Bill then being read the third time, we should go into Committee of the Whole on the Bill.

Hon. Mr. HAIG: That is what we are doing.

Hon. Mr. DUFF: But the motion before the House is for third reading of the Bill.

Hon. Mr. HAIG: No; we reverted to consideration of the report of the committee.

The Hon. the SPEAKER: The motion before the House is a motion by the honourable senator, that the report of the committee be not concurred in, but that the Bill be referred to Committee of the Whole for reconsideration.

Some Hon. SENATORS: Question!

The Hon. the SPEAKER: Are you ready for the question, honourable senators? Is it your pleasure to adopt the motion?

Hon. Mr. KING: I do not object to it.

Some Hon. SENATORS: No.

Some Hon. SENATORS: Carried.

The Hon. the SPEAKER: In my opinion the "No's" have it.

Hon. Mr. DUFF: Surely, honourable senators, in a free Parliament no one is going to say "No," and refuse me an opportunity to present my views with regard to certain matters in this Bill. Surely that is not going to happen in the senior branch of Parliament. I say that I have a right to speak on the report of the Committee, or, if you do not agree to that, to ask that this House go into Committee of the Whole, so that I may express my views. I shall not take very long.

Surely, as the representative of some people whom I believe I know as well as any honourable member in this Chamber, I have some rights.

Hon. Mr. HAIG: The honourable gentleman can speak now as long as he likes.

Hon. Mr. KING: I am not sure that will satisfy the honourable senator. He suggests that he has an amendment.

Hon. Mr. HAIG: He can move it on third reading.

Hon. Mr. KING: Yes, and I think that would be proper procedure. However, if the honourable gentleman wishes the House to go into Committee of the Whole, so that he may then move an amendment to the section he speaks of, I have no objection. I do think, however, we should remember that we are to adjourn to-day for two weeks. This Bill is very important to the Naval Service of Canada. A great deal of labour has been expended at a very difficult time to prepare an Act which will be convenient and valuable to the service. I should like to see the Bill moved into Committee so that the honourable gentleman, who is not going to speak at great length, I understand, can make his suggestion and move his amendment, which will be dealt with as the Senate sees fit. The Bill would then go on to third reading.

The Hon. the SPEAKER: Is the motion agreed to?

Some Hon. SENATORS: Agreed.

The Hon. the SPEAKER: It has been moved by Honourable Senator Duff, seconded by Honourable Senator—Who seconds the motion?

Hon. Mr. SINCLAIR: I do.

Hon. Mr. HARMER: I will second it.

The Hon. the SPEAKER: —seconded by Honourable Senator Sinclair, that the report of the Standing Committee on Banking and Commerce on Bill 112, be not now concurred in, but that said Bill be referred to Committee of the Whole for re-examination.

Is it your pleasure to adopt the motion?

The motion was agreed to.

CONSIDERED IN COMMITTEE

The Senate went into committee on the Bill, Hon. Mr. Sinclair in the chair.

Section 1 was agreed to.

On secton 2,—Definitions:

Hon. Mr. DUFF: Mr. Chairman, I am sure we all appreciate the fact that his honour the Speaker has seen fit to select an old parliamentarian like yourself to take the Chair on this occasion.

In view of what the leader of the Government has said about trying to get certain measures through this Chamber before 5.50 p.m., I may say it is not my intention to speak at length. In fact, what I have to say should take only a few minutes, and my argument is going to be so reasonable and, if I say it myself, so correct, that this Chamber should adopt the suggestion I am going to make.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. DUFF: Now, Mr. Chairman, paragraph (f) of clause 2 reads:

"man" means a person in the Naval Forces holding the rating of chief petty officer or below.

The paragraph in the old act read as follows:

"seaman" includes petty officers, seamen and all other persons engaged in the Naval Service of Canada, other than officers.

That is clear cut.

Now, there are two definitions, and the question is whether a naval rating, or what in naval parlance is known as a "gob," should be designated a "seaman" or a "man".

Of course, Mr. Chairman, all ratings and all others in naval service on the seas are men. They are all of the masculine gender. But what I want to point out is this. When war was declared, boys from every province in the Dominion—from the farms of Alberta, Saskatchewan and Manitoba, from the cities of Toronto and Montreal, and from the fisheries of the Maritime Provinces and British Columbia—applied to join the Naval Service. I do not have to tell you what these boys have done. They were wonderful! They are wonderful. They were splendid! They are splendid. But what I want to say is, that when these boys come back from their work of convoying food supplies and munitions from Canada to England, the Mediterranean ports and Russia, perhaps after having been torpedoed and having spent days in rubber boats, they will come back to their mothers and fathers with their chests stuck out, and will want to be known not as men but as seamen. Yet in this Bill you are designating them merely as men. They are supermen.

I ask very little. In the Committee on Banking and Commerce this morning someone referred to the boys in the armed forces: I ask, Mr. Chairman, how you would describe a boy from Prince Edward Island who had enlisted in the Air Force? Would you call him a man? No, you would call him an airman. Am I right or wrong? If he had enlisted in the Army, you would call him a soldier. Therefore I say that these boys, who have given their lives and their blood fighting the battles of Canada, the British Empire and the United

Nations on the seven seas of the world, should not be designated merely as men. It will not hurt anybody to give them a little kudos by calling them what they are.

I am not objecting to any clause in the Bill which affects the policy of the Government or the Department. All I say is that these boys, who enlisted and served in the four corners of the earth, should receive some recognition for what they have done. Why should we not call them seamen—either ordinary seamen or A.B's, which means able bodied seamen? I may say with all modesty that I have been associated with seamen of the Navy and the Merchant Marine all my life. I am not raising this question just to be controversial or to make trouble for anybody.

Hon. Mr. MURDOCK: Would the honourable senator tell us, then, what is the meaning of the explanation of the term he refers to, which appears on the opposite page of the Bill? It says:

The term "seaman" is no longer used to designate all Naval personnel other than officers. It is now more commonly used to designate a branch of the service, i.e., the "Seaman Branch," as distinguished, for example, from the "Engine-room branch." The word "man" is the term in use to-day to designate personnel who are not officers.

Hon. Mr. KING: Mr. Chairman, is there an amendment before the Chair?

The CHAIRMAN: Not yet. We are in Committee of the Whole on clause 2.

Hon. Mr. DUFF: I would point out to the honourable member from Parkdale (Hon. Mr. Murdock) that the explanatory note he has read contradicts itself. I say this with all courtesy to my honourable friend, as he perhaps does not know as much about salt water as I do.

Hon. Mr. MURDOCK: I do not know anything about it.

Hon. Mr. DUFF: I do not want to be offensive. All I am saying is that the explanatory note contradicts itself, because it speaks of the "Seaman Branch." Why should that term be used, if not to distinguish it from the "Engine-room Branch?"

Hon. Mr. HAIG: Will the honourable gentleman allow me to interrupt him? It would be a great help to us if he would move an amendment, for we should then know what change he is suggesting. I understood the representative of the Department of Naval Service to say at the committee meeting this morning that in the British Acts the word "man" is used.

Hon. Mr. COPP: In the Acts governing the Royal Navy.

Hon. Mr. HAIG: Yes. And he said it was desirable to have the same nomenclature used in our Act. Until my honourable friend states his amendment, I do not know what his remarks are addressed to.

Hon. Mr. DUFF: I am not aware that it is necessary for me to move an amendment before I complete my remarks. I say to my honourable friend, with all courtesy, that at this morning's committee meeting he did not seem to appreciate that a boy who enlists in the Air Force—at Winnipeg, or anywhere else in Canada—is called an airman.

Hon. Mr. HAIG: No; he is called a man.

Hon. Mr. DUFF: Of course, he is a man, and a good man.

Hon. Mr. HAIG: That is the finest compliment he can be paid.

Hon. Mr. DUFF: Why should these boys on our naval vessels not be designated as "seamen"? The distinguished soldier (Hon. Mr. Griesbach) sitting behind my honourable friend will tell him that members of the militia are called soldiers.

Hon. Mr. HAIG: Not in the Act.

Hon. Mr. DUFF: "Militiaman" may be the designation in the Act, but in any event that is better than the plain word "man." What harm could be done by changing the Act so that the boys in our naval service—boys from the farms of Manitoba, Saskatchewan and other parts of the country, as well as from the fishing fleets of British Columbia and the Maritime provinces—would be called "seamen"?

Hon. Mr. FARRIS: Is the honourable senator speaking to an amendment?

Hon. Mr. DUFF: I am speaking to clause 2 of the Bill.

Hon. Mr. FARRIS: Is my honourable friend suggesting that we reject the committee's report?

Hon. Mr. DUFF: No.

Hon. Mr. FARRIS: What is the honourable gentleman asking us to do?

Hon. Mr. DUFF: We are not considering the report now; we are in committee on the Bill. All I am saying is that the boys from all over Canada who have enlisted in our Navy should be called "seamen" instead of "men."

Hon. Mr. EULER: To bring about that change, you should present an amendment.

Hon. Mr. DUFF: Then, I will move that paragraph (f) of clause 2 of the Bill be amended, to read:

"seaman" means a person in the Naval Forces holding the rating of chief petty officer or below.

That could not do any harm. These boys, who are risking their lives on the Atlantic and the Pacific and in other parts of the world, are heroes. Why should they not be recognized as such? It seems to me that it is only proper to call them "seamen," just as the boys who enlist in the Air Force are called "airmen."

Hon. Mr. FARRIS: May I ask the honourable senator a question? Does my honourable friend intend that no person holding a rating higher than that of chief petty officer shall be called a seaman? That is what his amendment means. He has moved that paragraph (f) be changed to read:

"seaman" means a person in the Naval Forces holding the rating of chief petty officer or below.

If that amendment carries, anyone holding a rank higher than chief petty officer would cease to be known as a seaman.

Hon. Mr. DUFF: That is the trouble, honourable senators, with these lawyers—

Hon. Mr. FARRIS: We try to put some sense into the statutes.

Hon. Mr. DUFF: That is the trouble with these lawyers, these land-lubbers, who would get seasick if they went on the Rideau canal. Of course, the captain and the engineer on a ship are seamen, and I am willing that they should be so described.

Hon. Mr. FARRIS: That would be contrary to your amendment.

Hon. Mr. DUFF: I am principally interested in the men who are sacrificing their lives for you and me. Surely we can at least pay them the compliment of calling them "seamen," so that when they have completed their service on the "Iroquois" or the "Huron" or any other vessel and return to their homes in Saskatchewan, Manitoba, and elsewhere, they will be welcomed, not merely as men but as seamen.

Hon Mr. COPP: Honourable senators, it seems to me that the preference of my honourable friend from Lunenburg (Hon. Mr. Duff) for the word "seamen" instead of "man" is based purely on sentiment. For myself, I cannot see what difference it will make whether men serving in our Navy are known simply as "men" or as "seamen." Commander Read, whom I know to be an outstanding lawyer and draftsman, was questioned on this matter at our committee meeting this morning, and he explained that it was desirable to use the word "man," in clause 2 and other clauses of this Bill, in order to coincide with the language used in the statutes governing the Royal Navy. But for the explanation made by Commander Read I should have no objection to the amendment proposed by my honourable friend from Lunenburg, although if his amendment carries it will be necessary to go through the whole Act and substitute "seaman" wherever "man" occurs.

Hon. Mr. DUFF: That would not be much trouble.

Hon. Mr. COPP: I do not think my honourable friend should press sentiment quite so far. Nevertheless, it is his privilege to do so. I suggest that it would be better for us to accept the Bill as it comes from the Committee on Banking and Commerce.

The amendment of Hon. Mr. Duff was negatived. The section was agreed to.

Hon. Mr. HAIG: Report the Bill.

Hon. Mr. DUFF: No. Go through the whole Bill, clause by clause.

Sections 3 to 124, inclusive, were agreed to.

The preamble and the title were agreed to.

The Bill was reported, without amendment.

CONCURRENCE IN COMMITTEE'S REPORT

The Hon. the SPEAKER: Honourable senators, we now come back to the motion by the Honourable Senator White, seconded by the Honourable Senator Copp, that the report of the Standing Committee on Banking and Commerce, on Bill 112, an Act respecting the Naval Services of Canada, be now considered and concurred in. Is it your pleasure to adopt the motion?

The motion was agreed to.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill, as amended, be read the third time?

Hon. Mr. KING: I would move the third reading now.

The motion was agreed to, and the Bill, as amended, was read the third time, and passed, on division.

SUSPENSION OF RULE

WITHDRAWAL OF MOTION

Hon. J. H. KING: Honourable senators, yesterday I gave notice of motion to set aside rule 24 (b) in regard to Bill 135. As I inti-

mated at the time, my purpose was not to force the measure through its concluding stages. It is the practice of the Senate when a Bill is referred to a committee to accept the committee's report and, unless there is good reason to the contrary, to proceed with the third reading. Yesterday my honourable friend from Parkdale (Hon. Mr. Murdock) objected, and quite rightly, to the adoption of the report, and I gave notice of the motion to which I have referred.

I hesitated to take such a course, but, after all, to a certain extent, I am responsible for the conduct and business of the House, and I felt that as we were about to adjourn for two weeks it would be unwise to leave this Bill on the shelf, since it provides for regulations enabling Canadian War Service electors to exercise their franchise and Canadian prisoners of war to vote by proxy at any war-time election.

I hope honourable members, though not entirely in sympathy with the report of the Banking and Commerce Committee, will agree to its adoption, so that we may give the Bill third reading to-day. I cannot ask for an undertaking to this effect, but in expectation of our being able to accomplish this, I do not intend to proceed with the motion.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed, on division:

Bill K5, an Act for the relief of Everett Roy Clow.

Bill L5, an Act for the relief of Elmore MacLean MacKay.

THE PRIME MINISTER OF NEW ZEALAND

GUEST OF THE SENATE

The Hon. the SPEAKER: Honourable senators, we are privileged to have in our midst the Right Hon. Peter Fraser, Prime Minister of New Zealand, to whom I have extended, in your behalf, the courtesy of a seat on the floor of the Senate.

WAR SERVICE ELECTORS AND PRISONERS OF WAR VOTING BILL

REPORT OF COMMITTEE

Hon. G. V. WHITE, on behalf of Hon. F. B. Black, Chairman of the Standing Committee on Banking and Commerce, moved concurrence in the committee's report on Bill 135, an Act to provide regulations enabling Canadian war service electors to exercise their franchise, and Canadian prisoners of war to vote by proxy, at any general election held during the present war, also to provide amendments to the Dominion Elections Act, 1938, consequential to such regulations, or made necessary by the advent of the said war.

Hon. Mr. LAMBERT: Honourable senators, before this report is adopted I should like to ask the honourable leader of the Government (Hon. Mr. King) whether he would prefer discussion on this motion or on the motion for third reading of the Bill? We desire to facilitate the proceedings as far as possible, in view of Royal Assent having been set for 5.50 this afternoon.

Hon. Mr. KING: That is the procedure we usually follow on the motion for third reading.

The Hon. the SPEAKER: Is it your pleasure to adopt the motion, honourable senators?

Hon. Mr. DUFF: Before the motion is agreed to, it seems to me, we ought to know specifically what amendments were made to this Bill in the Committee on Banking and Commerce.

Hon. Mr. MURDOCK: The report of the committee was before us yesterday. I judge that I am responsible for holding up its adoption until to-day.

Hon. Mr. DUFF: I should like to have time to study the amendments. Clause 5 is very important.

Hon. Mr. ASELTINE: The honourable member has had since yesterday to study the amendments.

Hon. Mr. DUFF: I have not had the report before me since yesterday.

Hon. Mr. MURDOCK: The report has been before us since the Chairman of the Committee (Hon. Mr. Black), presented it to the Senate yesterday. On the motion for for third reading, those who so desire will have an opportunity for further discussion. I shall hope to say a few words at that time. The question now is on the motion for the adoption of the Committee's report, which possibly the honourable gentleman and I disagree with, but which must be considered.

Some Hon. SENATORS: Question!

Hon. Mr. DUFF: Honourable senators, I certainly disagree with the report of the committee. I do not think the amendment goes far enough, and my own idea is that clause 5 should be struck out altogether. I do not know who is responsible for the clause,

but in the interests of the people of this country from the Atlantic to the Pacific I say that no clause of this kind should be embodied in the legislation of a democratic country such as Canada. I am opposed to the report, and if I cannot speak on it now, then on the motion for third reading I shall again object.

Hon. Mr. KING: Honourable senators, I do not want to be misunderstood. I merely said that it is customary to proceed with the motion for adoption of the report. I have made no objection nor tried to hamper any member from speaking on the Bill at this stage. If my honourable friend desires to amend the report as presented to us yesterday, he had better make his motion now.

Hon. Mr. DUFF: If we adopt the report we are really agreeing with what the committee has done. I am opposed to the report. I do not want to move an amendment at the moment, but I should like to discuss the report.

Hon. Mr. ASELTINE: Adoption of the report does not prevent the honourable gentleman's moving to amend the Bill on the motion for third reading.

Hon. Mr. DUFF: I know all that. We are going either to adopt or reject the report on this Bill. I say that by adopting the report we really agree to the single amendment which the committee made, and which in my opinion is not sufficient to meet my objection to the Bill. Surely there is no need to rush this Bill through. Let us take time. I do not believe in force majeure. I believe in the democratic principle of full discussion. I repeat, if we adopt this report, then we are debarred from making any amendment to the Bill on the motion for third reading.

Hon. Mr. KING: Oh, no.

Hon. Mr. DUFF: Yes.

The Hon. the SPEAKER: Honourable senators, the question is on the motion for concurrence in the report of the committee. Is it your pleasure to concur in the report?

Some Hon. SENATORS: Yes.

Hon. Mr. DUFF: No.

The Hon. the SPEAKER: Carried on division.

The motion was agreed to.

THIRD READING

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

Hon. Mr. KING: I so move now.

Hon. J. J. BENCH: Honourable senators, I recognize, along with other honourable members, that these are difficult and dangerous times when the safety of the State and of our Canadian people may require that rights ordinarily enjoyed by one or more sections of the community should be temporarily suspended. I unqualifiedly endorse the view that, for the purposes of the prosecution of this war to a speedy and successful conclusion and of the adequate defence of Canada, no action should be withheld, even if it results in the restriction or total abnegation of the peacetime privileges or immunities of any group of our citizens. On the other hand, I venture to think that honourable senators will agree that steps designed to induce such results, either directly or indirectly, should be taken only under the urgent demand of the interest and safety of a Canada at war; they cannot be justified or supported on any ground of mere prejudice or racial discrimination. Because I remain unconvinced of such a real need for the enactment of section 5, and because, on the contrary, I consider it to be founded upon the dangerous principle of racial and sectional prejudice, I am compelled to register my opposition to the third reading of the Bill in its present form.

Involved in that statement of the fundamental of my quarrel with section 5, there is, of course, an unwillingness to deprive of the right of the franchise persons who have been born in Canada and who are Canadian citizens, on the sole and accidental ground that their racial origin happens to be that of one of the countries with which we are at war. I think it is worth emphasizing that this section, as it now stands amended by this Chamber, singles out for disfranchisement only those of Japanese origin, notwithstanding that the Bill as it came to us from the other House proposed the disqualification from voting of all persons having their racial origin in all countries with which we are at war.

Hon. Mr. COPP: That was not the proposal.

Hon. Mr. BENCH: While paying every deference to the opposing opinions of other honourable gentlemen on both sides of this Chamber, I venture to remind them that in amending the section as they already have done so as to assure to persons of German and other enemy origin the exercise of the franchise, the Senate has subscribed to the principle that racial derivation of present enemy character is not in itself a sufficient ground to justify the denial of the right to vote at a Dominion election. Who is to say that Germany is not as great an enemy of Canada at this moment

as is Japan? Have we not been advised that Germany is our principal enemy?—that the link which holds together the whole chain of terror let loose on the world is Germany?—that upon the prime defeat of Germany depends the early despatch of our other opponents? Why then do we see fit to qualify for the ballot those of German, Italian, Roumanian and other enemy origin, and with the same stroke of the pen say to persons of the Japanese race who have been born in Canada that they are not to vote? I submit that unless some reasonable ground can be put forward for such differentiation this Chamber cannot logically carry this Bill with its present section 5.

I desire to make clear my agreement with the report of the Committee on Banking and Commerce to the extent that its recommended amendment of the section has the effect of removing the possible restriction upon the rights of persons whose racial origin is that of the people of Germany or Austria, or one of the many other countries with which we are at war. I am happy that the Senate has recognized the great injustice which otherwise might have been inflicted on a very large section of the Canadian population, some of whom are of the third or fourth generation of residents of this country. My only complaint is that, having gone this far, the Committee did not see fit to suggest to this House that the entire section should be deleted from the Bill.

I was in attendance at the sessions of the Banking and Commerce Committee when the legislation was being considered by that group. I listened carefully to all of the arguments put forward in support of the distinction proposed to be made between native-born Canadians of Japanese origin and Canadians of other racial origin with whose countries we are now in conflict. With every degree of respect for the opinions of other honourable senators, I acknowledge a complete lack of conviction that the arguments put forward are either sound or compatible with the action taken by the Committee, and which now has been approved in a limited way by this Chamber. To the extent that he is an enemy I certainly hold no brief for the Jap: His method of conducting warfare, his reported inhumanities perpetrated upon fellow-creatures in China and elsewhere, and his complete disregard of international conventions of war, all make it abundantly clear that he is worthy of the utmost contempt and entitled to no special consideration whatsoever. Nevertheless, we are not purporting to inflict a penalty upon an enemy in the true sense of that word. We are proposing to discriminate against people who have been born in this country or who have been granted the right of citizenship by the sovereign authority of Canada. Again I repeat—when I realize that this is the situation, I find it extremely difficult to draw the line between the Canadian of Japanese origin and the Canadian of other enemy racial beginnings.

It has been urged in this Chamber as well as before the Committee that already since this war began Canada has treated the Japanese differently from persons of other enemy country origins; and by some stretch of logic which I cannot understand, it is said that we are only following precedent in enacting section 5. It is pointed out, for instance, that the Japanese have been removed from their usual places of residence on the Pacific Coast, and have been distributed in segregated communities across Canada. This is the exceptional treatment which, it is said, has been accorded to Canadians of Japanese origin and has not been meted out to other members of the community who are comparable in the sense that their countries of origin also are at war with us. It seems needless to point out that removal of the Japanese from British Columbia was a measure adopted in the interests of the defence of Canada; that it was entirely precautionary, and was in no sense connected with a design to deprive persons born in Canada of their ordinary right of the ballot. Nor does it seem necessary to remind honourable senators that many persons of German, Austrian, Italian and other enemy racial origin have been confined in internment camps across the breadth of Canada. It seems to me that the different treatment of the Japanese in this regard—if there is a real difference—has been one only of degree. The principle underlying the segregation of all such elements of our Canadian community has been a common one—that of the safety of the State. No one has yet been able to convince me that the denial of the franchise to Canadians of Japanese origin, while we grant it to others whose origin is in other countries with which we are at war, will in any way make the national safety more secure. I cannot overlook the fact that as recently as last August we had a provincial election in the province of Ontario, and that no such restriction applied to Canadians of Japanese origin; and I have yet to hear of any untoward incident occurring as the result of the lack of legislation of this character.

Again, it is argued that the Canadian of Japanese origin is different from the German, the Austrian, the Roumanian and the Bulgarian, in that he does not subscribe to or enjoy the benefits of our Christian philosophy, and it is urged that this is a sufficient reason

for making a distinction. Apart from the circumstance that many Canadians of other racial origin are doubtless non-Christian in the fullest sense of the term, this argument impresses me as putting the granting or withholding of the franchise entirely upon religious grounds, and I venture to suggest that this Parliament should be slow in acting upon such a principle. If, however, the point is well taken that there should be some distinction drawn between Christians and non-Christians for this purpose, then I have difficulty in ignoring the circumstances that representatives of the Christian churches in Canada have been among the foremost in protesting against the enactment of section 5. I am informed that all across this country the Christian churches have raised their voices in opposition to this proposed discrimination against Canadian citizens of Japanese origin. Only last Wednesday, when discussing this Bill, the honourable leader on this side of the House made reference to a telegram which he had received from a certain committee representative of several churches. As I also received this message I do not doubt that it was sent to all honourable members of this House; and for purposes of my submission I desire to refer to it at length at this time. It reads as follows:

> The undersigned members of the National Interchurch Advisory Committee on Resettlement of Japanese Canadians protest vehemently against section 5, Bill 135, on the ground of disfranchisement of Canadian citizens of Japanese race now in process of satisfactory resettlement outside of British Columbia. The resentment aroused among these thousands of Canadian citizens of Japanese race who know no other home, and who had hoped to live and die in this country, and who by this Bill will be left without nationality, will be shared by thousands of fair-minded Canadian citizens. We believe this undeserved disfranchisement of Canadian citizens will reflect on the honour of Canada long after the war has been won.

That is signed by representatives of the following churches, in order named: the Catholic Church, the United Church of Canada, the Baptist Convention of Ontario and Quebec, the Church of England Social Service, and the Presbyterian Church in Canada.

Hon. Mr. HAIG: You had better read the names of those who signed.

Hon. Mr. BENCH: I should be glad to do so.

Hon. Mr. MURDOCK: Put them on the record.

Hon. Mr. BENCH: They are as follows: Father A. E. McQuillen, Roman Catholic Archdiocese, Toronto; Rev. Dr. George Dorey, United Church of Canada; Rev. C. H. Schutt, Baptist Convention Ontario and Quebec; Canon W. W. Judd, Church of England Social Service; Rev. E. H. Johnson, Presbyterian Church in Canada.

Hon. Mr. DAVIES: May I ask the honourable senator if he does not think it is fair to assume that these men are only expressing their own views? Have the churches been called together to discuss the matter, and are these people fully authorized to speak for them?

Hon. Mr. BENCH: It is my understanding that these gentlemen were elected to the Committee of Management of the organization at a regularly called convention.

Hon. Mr. HAIG: No.

Hon. Mr. BENCH: If they were, I suggest to the honourable gentleman from Kingston (Hon. Mr. Davies) that we must take them as speaking in an official capacity.

Hon. Mr. DAVIES: I would not agree with that.

Hon. Mr. BENCH: What the honourable senator now says may be correct, but I should like to say that as recently as the past week I saw a news report of a meeting of one branch at least of the Assembly of the Presbyterian Church, at which, according to the Press report, a resolution similar in character to this wire was passed.

With such representations before us from the people best qualified to judge of any anti-Christian mentality on the part of those of Japanese race, how can we proceed on the principle that these citizens should be deprived of the right of the franchise because, fundamentally, they do not believe in our God? It seems unnecessary to add that many of the persons who would be disqualified by this Bill probably adhere to one or other of the Christian faiths.

I understand, honourable senators, that it is the wish of the honourable the leader of the Senate that I should now adjourn this debate, to afford opportunity for the Royal Assent.

Hon. Mr. HAIG: Until 8 o'clock.

Hon. Mr. DUFF: Go ahead. Don't interrupt your speech.

Hon. Mr. KING: I would move that the Senate adjourn during pleasure, so that we may have the Royal Assent.

The Hon. the SPEAKER: Does the honourable gentleman move the adjournment of the debate?

Hon Mr. HAIG: Honourable senators, I do not think the honourable member can move to adjourn the debate, for if the motion should carry, the debate would be ended for to-day.

The Hon. the SPEAKER: Is it intended that we should sit to-night?

Hon. Mr. HAIG: I understand so.

Hon. Mr. KING: Yes.

Hon. Mr. HAIG: He can move that the continuation of the debate be postponed until the House adjourns during pleasure.

The Hon. the SPEAKER: The procedure would be for the leader to move that the Senate adjourn during pleasure. The debate would then continue when we resume.

Hon. Mr. KING: That is the intention.

The Hon. the SPEAKER: Honourable senators, it is moved by Hon. Senator King, seconded by Hon. Senator Euler, that the Senate do now adjourn during pleasure.

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

THE ROYAL ASSENT

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

An Act to amend the Bank Act.

An Act to amend the Quebec Savings Banks Act.

An Act to establish a Department of Veterans Affairs.

An Act respecting Surplus Crown Assets.

An Act to establish a Department of Reconstruction.

The House of Commons withdrew.

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

The sitting was resumed.

At six o'clock the Senate took recess.

The Senate resumed at 8 o'clock.

Hon. Mr. BENCH: When the Senate took recess I was attempting to meet some of the arguments put forward in support of section 5 as now amended. I had just mentioned that amongst other reasons submitted as justifying the distinction drawn between persons of Japanese origin and those of other enemy country origin was lack of Christian faith on the part of the Japanese.

I have heard it argued also that legislation of this kind lies peculiarly within the purview of members of the elective chamber. While conceding, for the purposes only of this discussion, that this may be the case, it seems to me that the Senate is not thereby absolved of its basic obligation to protect the rights of minorities and minority groups in Canada. Further, I submit that the proponents of section 5 as it now stands are on very thin ground with this argument when this Chamber already has seen fit to delimit in a very marked degree the disqualification as enacted in the other place. If, however, we are to pay heed to the suggestion that the other House should take the chief responsibility in matters of this kind, then in view of the fact that the Senate regards the section as it comes to us as being in large measure inappropriate, I venture to suggest that the wise course to follow would be to delete section 5 in its entirety and send the Bill back to the other place, there to be reconsidered by the elected members of Parliament in the light of the opinions expressed by honourable members of the Senate.

I have another fundamental objection to the enactment of section 5 as now amended, in that it seeks to make applicable in the matter of Dominion elections, without in any way consulting the Governments of those provinces, a disqualification presently in effect only in British Columbia. As pointed out the other day by the honourable the acting leader on the other side (Hon. Mr. Haig), and as I recognize, the Dominion Elections Act, 1938, is the basis for the British Columbia disqualification. Here I would pause to remark that, in my opinion, if there was justification for the enactment of section 14 (i) when the Act was revised in 1938, it would have been better for Parliament to assume the responsibility of directly disqualifying persons of certain racial origin rather than to delegate this authority to the provinces in the matter of Dominion elections. However, that section is now on our statute books and no present advantage is to be gained by my further criticism of it at this time. I point out, however, that the Act of 1938 does vest discretionary power in the Legislative Assemblies of the various provinces; and that this was acted upon by one province only. What is now proposed by section 5 is to make applicable to all of the other provinces of Canada the result of the exercise of this power by British Columbia only. I think that this is wrong. So far as I am able to determine, there has been no general demand from these other provinces or from our citizens residing therein for legislation of this kind. It has been said to me that the very fact that the

other House enacted section 5 is prima facie evidence that there is such a demand by the Canadian people for this restrictive legislation. Assuming such to be the case, is it necessary for me to refer again to the fact that this Chamber, acting upon the recommendation of its Banking and Commerce Committee, has seen fit substantially to resist that claim? Surely even the Senate of Canada cannot blow both hot and cold. If there is such a demand in the province of British Columbia as evidenced by the existence of its legislation supplementary to clause 14 (i), then that requirement of this section of our Canadian people already has been met. Persons of Japanese origin, according to my understanding, are already disqualified from voting at a Dominion election in the province of British Columbia.

This brings me to another, and what I regard as a very material, consideration. We are told that outside of British Columbia, there are only some 4,000 Canadian citizens of Japanese origin who would be entitled to vote at a Dominion election in the absence of the enactment of section 5 of the Bill now before us. We are also told that these 4,000 are spread across the entire Dominion. From time to time we have been cautioned to refrain from adopting exteme attitudes against people of those races with which we are at war. What stronger evidence of racial hatred could be given than the enactment of discriminatory legislation of the kind now proposed? If this Bill in its present form becomes law, the propaganda machine of Tokio will be at work. It will be telling the warriors and people of the Japanese nation that this is the strongest kind of evidence of the degree of detestation toward persons of Japanese origin which exists in the much-vaunted democracy of Canada. For myself, I would prefer that this additional instrument should not be put in the hands of the military dictators of Japan. I cannot convince myself that the disqualification of a possible 4,000 voters is worth what a consideration of this feature involves, especially when there is no evidence of a widespread demand amongst our people for this legislation, and when, on the contrary, there is abundant evidence, through church and other organizations and the Press of Canada, that the proposed disqualification is out of sympathy with the democratic viewpoint of Canadians as a whole.

Finally, if I may be permitted to say so, it is distasteful to me to see a provision such as that which appears in section 5 contained in a Bill brought down for the declared purpose of providing regulations to enable Canadian war service electors to exercise their franchise. As was pointed out on Wednesday last by the honourable senator from Ottawa (Hon. Mr. Lambert), section 5, in any form "represents the most hateful feature of Hitler's Nazi doctrine of racialism." I cannot overlook the fact that our service personnel are to-day fighting and offering their lives on distant battlefields to stifle forever this Nazi philosophy and to preserve for all Canadians the heritage which is theirs, whatever may be their racial origin resulting from the circumstances of their parentage. I venture to suggest that legislation of this kind will not find very much sympathy with the men and women of our Navy, our Army or our Air Force. I think it would be much more becoming of the Parliament of Canada to preserve at home the broad principles of our British democracy for which we are fighting so bitter a struggle abroad. I do not for a moment doubt that every member of this Parliament is anxious to do that very thing; it is only a matter of achieving a common viewpoint as to how this best can be achieved in the present circumstances. For all the reasons mentioned, I find myself unable to support the Bill while it includes section 5 as it now stands amended for third reading. Without section 5, it is unnecessary for me to say the Bill has my unqualified support, subject only to a consequential adjustment in section 11. In the hope that the Bill may be put in such form that I can support it in its entirety, if I am in order I would move, seconded by the honourable senator from Ottawa:

That section 5 be deleted from Bill 135, and that consequent upon such deletion the subsequent sections of the Bill should be renumbered accordingly, and that section 11 be further amended by striking out the words "and eight" where they appear in the first line thereof.

The Hon. the SPEAKER: The motion before the House is that the Bill be now read the third time. Therefore no amendment to the Bill may be offered on third reading. An amendment to the motion might be made along these lines, that the Bill be not now read the third time, but be referred either to Committee of the Whole or to the standing committee from which the Bill has been reported, with instructions to amend it as indicated. Will the honourable gentleman allow me to change his motion accordingly?

Hon. Mr. BENCH: I shall be happy to have the motion worded as Your Honour suggests.

The Hon. the SPEAKER: It is moved by Hon. Senator Bench, seconded by Hon. Senator Lambert, that the Bill be not now read the third time, but that it be referred to Committee of the Whole, with instructions to delete section 5, and also to renumber the

Bill accordingly, and to amend section 11 by striking out the words "and eight" where they appear in the first line thereof.

Hon. Mr. KING: Honourable senators, I cannot see any great advantage in the honourable senator's suggestion that this Bill be not now read the third time, but be referred to Committee of the Whole. The Bill has already been before a standing committee, one of the largest and most important of our committees. The committee discussed this section very fully. It has generally been the practice of parliamentarians throughout the Empire to exercise great caution in discussing matters of this kind, and therefore I decided it would be better to present my view before the committee rather than before this Chamber. If it would serve any useful purpose to go into Committee of the Whole I would say, by all means vote accordingly; but on the motion for third reading my honourable friend and those who are supporting him will have full opportunity for debate, and I see no reason why we should not proceed now with the third reading after adequate discussion has taken place. I have no desire to limit discussion, but I think it would be unfortunate if we adjourned before this motion is either carried or defeated.

I think it would be inopportune and unwise to carry this matter over for two or three weeks in order that certain influences might get to work and indicate that they have a higher moral character and standard than have others. I think that is unfair, and I would now suggest that we proceed to the debate on the third reading. I cannot see the advantage of going into Committee of the Whole. It may be that there is more liberty in committee, and that one member can interrogate another freely. But these matters have been gone over already. However, I am in the hands of the Senate. We have had the advantage of a fair discussion on second reading, and have had the report of the committee. There is only one amendment that would be referred to committee, and if any useful purpose could be served thereby, I would have no objection to it; but as far as I am concerned I will oppose my honourable friend's motion.

Hon. W. A. GRIESBACH: Honourable gentlemen, I think the question should be cleared up as to whether the last proposal is a motion or an amendment. I am satisfied that it is an amendment.

Hon. Mr. KING: A motion.

Hon. Mr. GRIESBACH: It is an amendment to the motion.

Hon. Mr. KING: The amendment was made later.

Hon. Mr. MURDOCK: It is an amendment.

Hon. Mr. HAIG: The honourable senator from Edmonton is right. He should go ahead.

Hon. Mr. GRIESBACH: We find ourselves in a difficult position. There are those who examine this matter from the moral point of view, and who apparently are very sensitive on the general question as to whether we should take the franchise away from anybody who has it. Some people take the view that the franchise is a sacred thing, but they are forgetful of the fact that it is a matter of contract, that when one becomes naturalized he swears to behave as a good citizen of the country, and agrees that if he does not the franchise should be taken from him.

This discussion is just beginning. It is going to last for some time. As I see it, the whole question is whether the individual Japanese is a desirable immigrant, the sort of citizen we can make use of. I take the view that the Japanese ought never to have been admitted to this country. They were admitted because we sought to pacify and appease certain people. We hoped in the earlier stages that the Japanese empire was going to become a great power in the Orient, and would ease the situation with Russia and others. So the Japanese were allowed to come in.

I imagine that many Japanese now in Canada came in surreptitiously—sneaked in, or came in with false papers—and that many of them are here unlawfully.

Hon. Mr. LAMBERT: Has the honourable senator read the report of the Security Commission appointed by this Government to inquire into the very thing he has referred to? That Commission has reported that there is not one shred of evidence to prove what the honourable gentleman suggests.

Hon. Mr. GRIESBACH: I have not read it, but I know that many of these people have been interned for misbehaviour, so I am not inclined to be impressed by what my honourable friend says.

Hon. Mr. LAMBERT: It has been disproved that any number came in surreptitiously and are still here.

Hon. Mr. GRIESBACH: I do not think anybody knows. In Honolulu these people were exchanging their papers. A fishing boat

would go out with one man, and another would come back with the papers of the man who originally held them.

This is the very beginning of the discussion, and to my mind the whole question turns on whether or not the Japanese is a good citizen. I contend that he is not. He is constitutionally unable to understand the principles of democratic government.

Hon. Mr. BENCH: Is that essential to the exercise of the franchise?

Hon. Mr. FARRIS: It should be.

Hon. Mr. BENCH: Perhaps it should be, but I ask if it is.

Hon. Mr. HAIG: He should understand it.

Hon. Mr. GRIESBACH: I think he cannot intelligently discharge his duties as a citizen unless he understands what it is all about; and these people clearly do not understand.

The next thing I want to say about the Japanese immigrant is that he cannot be assimilated. I venture to think that the test of his assimilability is not only his understanding of our system, but the likelihood of his intermarrying and entering into the body politic, and leaving no trace of his origin. This man is a coloured man. Furthermore, very few Japs marry white women. Their whole training is against it, and our scruples are against it. I do not know whether there are any half-caste Japanese in British Columbia or not. I have never seen any. We cannot look forward to assimilating the Japanese through the medium of marriage.

When our troops return from this war and all the facts are made public, it will be demonstrated that the Jap is an uncivilized savage, and that his treatment of our people who are his prisoners has been probably the cruelest recorded in history. I venture to say that of the two thousand military prisoners the Japs had a year or so ago but a sorry remnant of fifty or sixty will return. The remainder will have been starved, or killed deliberately in Japanese concentration camps. We have enough information on that subject now to prove what I say. There are many books in the library which deal with the conduct of the Japanese toward their prisoners, and authentic information as to the manner in which they have treated captured American airmen and soldiers discloses that these people are uncivilized savages at best.

We never should have admitted the Japanese into Canada. When we undertook to carry out defensive arrangements in British Columbia we found that the task would be impossible if we left these people in the neighbourhood. They had to be moved out, or our efforts would be nullified. They had to be got rid of, and this was undertaken by the Security Commission, and they were all transported to back areas—and even there they have not behaved any too well.

Ultimately we are going to be confronted with the demand that all of their race in this country be deported, those who are naturalized as well as those who are not. The fact that they have become citizens and have settled in Canada does not alter the situation. They still remain an unassimilable and objectionable people with whom we can do nothing. Therefore I say we are going to be confronted with a demand that they be got rid of.

Hon. Mr. BENCH: Does the honourable senator suggest that such a demand would be made with regard to those born in Canada?

Hon. Mr. GRIESBACH: Yes. I do not think that makes any difference. The whole question is whether we want these people or not, and I say the demand will be that they all go, because nothing will be gained by expelling only those who are unnaturalized and allowing the others to remain. That is why this is a problem, but it should not prevent us from acting in self-defence.

One principle is larger than anything else: in self-defence we have to get rid of these people; and we never will have a better chance to do it than will come at the end of this war. I cannot understand the attitude of people who, knowing quite well that the Japanese are a bad lot, can advance arguments which might be applicable to other races, but which are not applicable to the Japs. After all, these other people are white, and their forebears have been living in Canada for many generations and are fairly good citizens.

Hon. Mr. EULER: They are better than fairly good.

Hon. Mr. HAIG: My friend behind me (Hon. Mr. Griesbach) is of the same extraction as you are.

Hon. Mr. GRIESBACH: It is suggested that if we disfranchise these people now under section 5, in some curious manner it is going to annoy the Japanese and they are going to take it out on the prisoners in their hands.

Hon. Mr. BENCH: I made no such suggestion. I was very careful to avoid doing so.

Hon. Mr. GRIESBACH: I did not mention my honourable friend, but the argument was advanced in committee that if we were to take this action now we shall be endangering the lives of prisoners who are in the hands of

the Japanese. I do not believe the Jap will attach any great value to enfranchisement. He does not understand it, does not believe in it, and is not likely to be impressed by anything we do in the matter. The more firmness we show, the better headway we shall make with the Jap. He is of a people which is beyond the pale. It is all a matter of self-defence, not of what we shall like to do. I submit that the opportunity now presented may never occur again, and that we should avail ourselves of it and get rid of these people as soon as we possibly can.

The honourable gentleman did make the statement that there is no widespread demand for this action; but if you consider the atmosphere in which this question arises, that is quite understandable. There is an atmosphere of secrecy; there is no public discussion of what has happened—in fact, public discussion is forbidden. Only those who live close to the situation which has existed have any conception of it. The publicly expressed disapproval of this clause is limited to those very remote from the situation. They consider it purely from a moral point of view—and in that way may have some argument—but from the point of view of real responsible opinion they are not in the picture at all.

I shall vote in favour of this clause and of the third reading of the Bill.

Hon. WILLIAM DUFF: Honourable senators, it seems to me that at this moment we should be discussing a point of order. The honourable senator from Lincoln (Hon. Mr. Bench), who made an excellent speech, moved an amendment that the Bill be referred to the Committee of the Whole House. My honourable friend the leader of the House (Hon. Mr. King) suggested that instead we should discuss the Bill on the motion for third reading, and, if I understood him correctly, then vote either for or against the whole Bill. I take it that my honourable friend from Lincoln is not opposed to the whole Bill. Neither am I, nor do I think anyone else in this Chamber is. But a number of us are opposed to clause 5. If the honourable leader's suggestion were carried out and a majority voted against the motion for third reading, the whole Bill would fall to the ground. Nobody wants that to happen.

I therefore feel it is only reasonable and fair that this Bill should be referred to the Committee of the Whole House, where there would be ample opportunity for discussion of clause 5. Surely it would be better to take that procedure than to run the risk of defeating this Bill, whose object is to enable the members of our armed forces to vote. As free British subjects, our soldiers, sailors and airmen have a right to express their views through their votes; and as free British subjects we here have a right to express our opinion on clause 5. On a point of order I respectfully submit to you, Mr. Speaker, that the motion to refer the Bill to Committee of the Whole House should be put.

The Hon. the SPEAKER: Honourable senators, I should like to point out that the motion before the House was that the Bill as amended be now read the third time. In amendment it was moved that the Bill be not now read a third time, but be referred to the Committee of the Whole House, and that amendment is now before the House. If the amendment passes, the Bill will not be read the third time, but will be referred to the Committee. Should the amendment be negatived, the House would then vote on the main motion, that the Bill be read a third time.

I wish to correct a ruling which I made a short while ago. I am afraid it was inspired by my House of Commons background. In Bourinot, 4th edition, it is stated, at page 530:

> Third Reading.—When the Order of the Day for the third reading has been read, it is competent to move that it be discharged and the bill withdrawn, or that it be re-committed. Formerly it was not unusual when the motion for the third reading had been agreed to, to add clauses, or make other amendments; but of late years the House has followed the modern practice of the English Commons, which is stated in a standing order: "No amendments, not being merely verbal, shall be made to any Bill on the third reading." Whenever it is proposed to make important amendments, it is usual to move to discharge the order for the third reading, and to go back into committee for the purpose. Or the House may be asked, at this as at any other stage of a bill, to divide on a resolution relative to the principle of the whole measure.

That is the procedure in the House of Commons. But in the Senate there is a rule, No. 65, which states:

> A senator may, at any time before a bill is passed, move for reconsideration of any clause thereof, already passed.

On this point Bourinot says, at page 531:

> In the Senate, bills are constantly amended on the third reading without going back to committee.

I find this is based on the practice followed in the House of Lords. May, 13th edition, says, at page 422:

> The question for the third reading may be negatived: but, as previously stated, such a vote is not fatal to the bill. In the Lords, new clauses may be added, and amendments made to the bill, at this stage.
>
> In the Lords, the original title of a bill is amended at any stage at which amendments are admissible, when alterations in the body of the bill have rendered any change in the title necessary.

I thought it well to place this authority on record. My ruling will be amended accordingly. Therefore, in the Senate, as in the Lords, amendments may be proposed on the motion for third reading.

Hon. J. T. HAIG: Honourable senators, the argument expressed by the honourable senator from Lincoln (Hon. Mr. Bench) coincides with the sentiment that, according to letters I have received, prevails in many parts of the country. A great many people, apparently thinking that the House of Commons inserted in this Bill an entirely new clause which prohibits the Japanese from voting, have urged us to reject that clause. But what is the fact? As I stated yesterday, the Dominion Elections Act of 1938 contained a section disqualifying certain classes of people from voting. The honourable senator from Lincoln seemed to imply, though he did not say so, that the disqualifying section was inserted for the first time in 1938, but I find that section in the Revised Statutes of 1927, a year when the Conservative party was in office. There was a further revision, but the disqualifying section remained. I find that the Dominion Franchise Act of 1934 disfranchised the following persons: the Chief Electoral Officer; the Franchise Commissioner; the Assistant Chief Electoral Officer; the Secretary of the Franchise Commissioner; every judge appointed by the Governor in Council; every Esquimau person, whether born in Canada or elsewhere.

Hon. Mr. MURDOCK: And every Japanese person?

Hon. Mr. HAIG: I shall come to that in a moment. The Esquimaux were in this country long before the Japanese. Every Indian ordinarily resident on an Indian reservation, unless he served in the military, naval or air forces of Canada in the war of 1914-1918, also was disfranchised. Yet the Indians were here before any of us.

In the disqualifications section of that 1934 Statute there is this paragraph:

Subject to subsection two—

That subsection refers to the Indians.

—every person who is disqualified by reason of race from voting at an election of a member of the Legislative Assembly of the province in which he or she resides and who did not serve in the military, naval or air forces in the war of 1914-1918

is disqualified from voting in a Dominion election.

The Parliament and the people of Canada have always desired that the Dominion franchise should be restricted to those persons who are qualified to vote in provincial elections. I believe that the province which would most strongly resist any intrusion upon that principle is Quebec, with Manitoba a close second.

Hon. Mr. EULER: That is a strange principle.

Hon. Mr. HAIG: It is a practical one. We want the provincial franchise to govern in Dominion elections, because the provinces know best what is in the interests of their people. We have a relatively small population, scattered over a large territory: the situation would be different if we were a compact country like Great Britain. The question we are dealing with now affects only about four thousand or forty-five hundred Japanese, in various parts of the country outside of British Columbia. Ninety-seven per cent of them were originally in that province, but during the war have been removed by the Government. Prior to the war there were very few Japanese elsewhere than in British Columbia. In Manitoba we had a few, who were in business, and there was a small number in Ontario and other provinces. Those Japanese who were born in British Columbia never had the right to vote.

Hon. Mr. LAMBERT: They had if they came to Ontario.

Hon. Mr. HAIG: But they never had the right to vote in British Columbia.

In my opinion most of the protests against this clause 5 come from people of one type, a type which all down through the ages has been responsible for our most difficult problems. It was such people who after the last war pleaded that we should not be too hard with Germany. Because I and others like me blundered in 1918 and later years, my boy and thousands like him have had to go overseas to continue the fight against Germany. Well, if I can help it, my grandchildren will not have to take part in another war.

As I stated in committee, I appreciate the religious sentiments of men and women who have served as missionaries in Japan and in China. Honourable members opposite are not the only ones acquainted with these people. I know a few—some of them graduated from the same university as I did—and they will tell you that they were dumbfounded by the cynicism rampant in Japan. The Japanese regard themselves as the master race; they are far worse than the Germans in that respect, and we had better recognize that fact.

It is impossible for us to assimilate Japanese people. Whatever we do, they will always remain Japanese. My honourable friend said in committee that I had not come into close contact with those people, and he wanted to know how many of them we had in Winnipeg.

It is true we have not a large number in that city. But Winnipeg and Quebec have about 1,000 prisoners of war at Hong Kong. If I supported this amendment I could not walk down the streets of Winnipeg and face the fathers and mothers, brothers and sisters, wives and sweethearts of those men. They know what happened to them at Hong Kong. What happened to the niece of my honourable friend here (Hon. Mr. Griesbach)? She was starved to death in a concentration camp over there. She left two little kiddies behind. That is what we face, and the sooner we realize it the better. You will find that the people of British Columbia, with the exception of one small group, are unanimous in declaring, "We don't want the Japanese in our province." When the people of Ontario wake up they too will not want the Japanese in their province. This amendment will apply only until the war is over; then we can reconsider the whole matter. I feel very keenly about it.

Hon. Mr. LAMBERT: Does my honourable friend agree with his colleague that all Japanese ought to be deported after the war?

Hon. Mr. HAIG: That is not the issue before us. If my honourable friend knows me at all, he knows that I am not afraid to take a stand, but I do not want to be distracted by a false issue.

Hon. Mr. LAMBERT: What do you mean by a false issue?

Hon. Mr. HAIG: Whether the Japanese shall be deported after the war. That has nothing to do with the present issue.

Hon. Mr. MURDOCK: That was the issue declared by the previous speaker.

Hon. Mr. HAIG: That is his own business. Side issues only complicate the question. There are arguments on both sides. When the time comes my honourable friends from Ottawa (Hon. Mr. Lambert) and Parkdale (Hon. Mr. Murdock) will have no difficulty in finding where my vote goes. I regret very much that I was not in the committee when the vote was taken. I was called out, and before I could get back you had taken the vote. You were too fast for me.

All we are doing by this Bill is disfranchising people who, outside of a few people who were in this province before Pearl Harbor, should never have had the franchise. How, after Pearl Harbor, anybody can vote to give the Japanese the franchise is beyond my ken. My head won't work that way. The representatives of the Japanese Government were negotiating with the American representatives at Washington at the very moment Japanese bombers were over Pearl Harbor. Such treachery is unthinkable to us; it is not to the Japanese. That is our difficulty.

Hon. Mr. MURDOCK: "Vengeance is mine, I will repay," saith the Lord.

Hon. Mr. HAIG: Sure. But that has nothing to do with this matter.

Hon. Mr. BENCH: Will the honourable gentleman indicate what part Canadian-born Japanese may have had in the treachery perpetrated at Pearl Harbor?

Hon. Mr. HAIG: It is the type.

Hon. Mrs. WILSON: Why don't you hold Germans responsible for the atrocities of German soldiers?

Hon. Mr. HAIG: I do.

Hon. Mrs. WILSON: But they get the vote.

Hon. Mr. HAIG: Germans are not disqualified from voting in any of our provinces.

Hon. Mr. MURDOCK: Then why let eight provinces prevent the Japanese from voting just because British Columbia disfranchises them?

Hon. Mr. HAIG: Because only one province knows the Japs. As a Canadian, I am prepared to accept the judgment of that one province, because its people know the Japs, and we do not. The fundamental difficulty is that we cannot assimilate the Japs; we can the Germans. There are two distinguished members in this House of that racial descent.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: After listening to the stories of returned missionary leaders of the church to which both my honourable friend (Hon. Mr. Murdock) and I belong, I am forced to the conclusion that the cunning Jap is a Jap wherever you find him. There are a few men in Japan, as there are in all countries, who detest and condemn the atrocities encouraged by the militarist. I might mention that great Christian Japanese, Kagawa; but he is a voice crying in the wilderness. What the soldiers of Japan have done in the Philippines, in Hong Kong, and in China is evidence that they do not understand our way of life at all. But that is not the issue here. The issue is that the Japanese in Canada shall not have a vote in this war-time election. After the war is over we will take up the question again.

I feel very sympathetic towards British Columbia. It is one of our great provinces. Had we allowed the Japanese to carry on

in that province there would soon be no British Columbia so far as Canada is concerned; it would be an outpost of the Empire of Japan. Virtually all the opposition to this section comes from Ontario. I can appreciate the reason. The people of Ontario are far away from the Japanese problem. But mark my words. When the war is over and our men and women come back from Hong Kong, no member of this House will want to say a word for the Japanese. I know how fathers and mothers, wives and sweethearts, feel about this thing. I say we should vote against the amendment, and give the Bill third reading.

Hon. WILLIAM DUFF: Honourable senators, I have listened very carefully to the rather heated remarks—

Hon. Mr. HAIG: Not heated.

Hon. Mr. DUFF: —of the honourable leader opposite (Hon. Mr. Haig). I do not think he has any special prerogative to say what he did say against the Japanese. I am as much opposed to the Japanese as he or any other member of this House can be. We have no use for the Japanese. Why should the honourable member for the last twenty-five minutes in an excitable manner—

Hon. Mr. HAIG: Twenty minutes, not twenty-five.

Hon. Mr. DUFF: —argue about something which does not relate to this clause at all? He did not refer to the clause.

Hon. Mr. HAIG: Yes, he did.

Hon. Mr. DUFF: Like one of those gentlemen learned in the law, he worked all around the map in order to make some political capital. It is not a matter of the Japanese or anybody else.

Hon. Mr. COPP: What else is it?

Hon. Mr. DUFF: Let me read clause 5:

5. Subsection two of section fourteen of the said Act is amended by adding the following paragraph thereto:

"(n) every person residing in Canada whose racial origin is that of a country at war with Canada if such person at the time of a Dominion election would be disqualified by reason of race in any one of the provinces of Canada while residing therein, from voting at an election of a member of the Legislative Assembly of that province, and who did not serve in the naval, military or air forces of Canada in the war of 1914-18, or in the war that began on the tenth day of September, 1939."

Hon. Mr. HAIG: We amended that clause in committee.

Hon. Mr. DUFF: How?

Hon. Mr. HAIG: After the word "disqualified" we added "at the time of the passing of this Act." Then in section 11 we inserted section 5. So the statute will only be operative while the war is on.

Hon. Mr. DUFF: Then why did my honourable friend spend so much time discussing the Japanese?

Hon. Mr. HAIG: We excluded the Japanese. The section across the page reads:

This provides a disqualification from voting at a Dominion election of persons of the Japanese race.

Hon. Mr. DUFF: That is not a clause at all, it is an explanation.

Hon. Mr. HAIG: I know. We made the clause comply with the explanation.

Hon. Mr. DUFF: But my honourable friend does not appreciate my objection. I should like to be able to say what I would do with the Japanese if I had my will. I certainly would not call a Japanese naval man a man, as my honourable friend did a Canadian naval seaman.

Hon. Mr. HAIG: You would call him a seaman, I suppose.

Hon. Mr. DUFF: No. My language would not be parliamentary if I were talking about a Japanese naval man. That is not the point at all. My honourable friend is running around the ring. My objection is to the wording, "every person residing in Canada whose racial origin is that of a country at war with Canada," and so on. Let us have some intestinal fortitude. If we don't want the Japanese to vote, let us say so. Let us come out plump and plain. If the C.C.F. or the Bloc Populaire got into power in Nova Scotia and passed a disfranchising bill, then 10 per cent of the people now in my county would be deprived of their vote because of their racial origin.

Hon. A. L. BEAUBIEN: That bad feature is deleted. The application of the clause is limited to Japanese only.

Hon. Mr. DUFF: I do not read the amendment that way.

Hon. A. L. BEAUBIEN: That is the fact.

Hon. Mr. EULER: That just shows that the clause should be redrafted to read Japanese only.

Hon. Mr. DUFF: The amending words "at the time of the passing of this Act" do not in my opinion clarify the clause. That is just passing the buck. Why should the people in my constituency who came to this country

from Hanover, Germany—where the ancestors of the King of England came from—have this sword held over their heads? For if the legislature of Nova Scotia saw fit to pass the necessary bill, no person whose racial origin is that of a country at war with Canada would be qualified to vote.

Hon. A. L. BEAUBIEN: The words you have quoted look after that.

Hon. Mr. DUFF: Why not delete the section altogether and insert a clear-cut clause showing that we do not want the Japanese to vote?

Hon. Mr. COPP: Then say so.

Hon. Mr. DUFF: I would have all the Japanese commit hara-kiri. Let us insert a clear-cut clause disqualifying the Japanese from voting. Let us not put it in the minds of the people of this country whose ancestors came here a hundred or two hundred years ago that some legislature may pass a bill to disfranchise them.

The Hon. the SPEAKER: The question, honourable members, is on the amendment—

Hon. Mr. MURDOCK: I thought there were to be several other speakers.

Hon. Mr. KING: There will be on the motion for third reading.

The Hon. the SPEAKER: It has been moved by the Honourable Senator King, seconded by the Honourable Senator Copp, that this Bill be now read a third time, to which the Honourable Senator Bench, seconded by the Honourable Senator Lambert, has moved an amendment, that the Bill be not now read a third time, but that section 5, be deleted and that consequent upon such deletion the subsequent sections of the Bill be re-numbered accordingly, and that section 11 be amended by striking out the words "and eight" where they appear in the first line thereof.

The question is on the amendment. Those in favour?

Hon. NORMAN P. LAMBERT: Honourable senators, if I am in order, I should like to speak in support of the amendment. In so doing I do not propose to recapitulate any of the reasons which I gave on the second reading of the Bill, and which I repeated in the Committee, for my opposition to clause 5 either in its original form or as amended. I should like to discuss some of the broader political aspects of this question as it applies to Canada, but before doing so I should like to refer to what was said by the leader of the other side, the honourable senator from Winnipeg (Hon. Mr. Craig), and also by the honourable senator from Edmonton (Hon. Mr. Griesbach).

I appreciated, and I think we all appreciated, the point of view expressed by the honourable senator from Edmonton, who spoke as a soldier with a creditable record. His analysis of the defence problems that are involved on the Pacific Coast was, I think, a sound one; but I cannot agree with his general diagnosis and proposed treatment of the Japanese problem in this country as a peacetime solution of our social and political problems. If Canada were to be governed and dominated by a military autocracy, then I should follow very definitely the suggestion made by the honourable senator from Edmonton that every undertaking entered into with regard to these people during past years should be thrown overboard, and that the people themselves should be deported the day after the war is over.

As far as the honourable senator from Winnipeg is concerned, I should have expected a much more tolerant and much broader point of view than he expressed on this question. For one thing, he spoke about what happened at Pearl Harbor, and could not understand how, after that incident, anybody could say a word for the Japanese. Peculiarly, he was speaking about something that affected the United States much more closely than it affected this country, and without entering into a long dissertation on that country, I would suggest to him, if he has the interest and the inclination, that he familiarize himself with the books written by the Honourable Joseph Grew, the recent American ambassador at Tokyo. In them he will find a very different and enlightened opinion—not a diatribe, but a broad-minded view of world problems between the United States of America, at least, and the people of Japan.

Now I should like to proceed with the discussion of clause 5 from the point of view of what I intimated in the beginning was the broader political aspect of the problem which confronts this House. First of all I might express a good deal of gratification on the fact that the debate on clause 5 in this Chamber and also in committee has cut directly through party lines. I might add that this is as I think it should be, in the Senate at least, in considering such broad national questions as the one before us. Also, I should like to consider this aspect of the matter a little further, and discuss certain outstanding facts of the present political situation in Canada in a way that will leave me free, I hope, from any charge of indulging in any narrow partisanship.

Let me say at once that I have no apologies to make in approaching the subject which has been concerning us here. As a liberal-minded citizen of this country I have for a long time

been interested in the development in this Dominion of an all-Canadian type of society composed of the many different elements of its growing population, such as has been built in the United States in so short a time out of diverse races and elements which have sought to establish homes for themselves on the southerly half of this continent.

Hon. Mr. GRIESBACH: What about the negroes in the United States? Are they being assimilated in that fashion?

Hon. Mr. LAMBERT: I think any one who has been interested enough to follow the negro problem in the United States, particularly since President Roosevelt and his wife have assumed their high place in Washington, cannot but come to the conclusion that there is a great deal of democratic hope for the advancement of negro culture in that country. One does not need to refer to the many names favourably mentioned not only in the United States but in Great Britain as well. My honourable friend knows very well about one man whose name has stood out in bold letters in the world of art and letters in both New York and London, Mr. Paul Robeson.

Now I come to the main part of what I have to say. Some of my honourable friends around me have said repeatedly, in recent months and years, both within the Chamber and outside, that the Senate must stand as a bulwark against certain revolutionary tendencies which would seem to them to be appearing in this country and to be finding form and expression in a new political party which, unfortunately, does not happen to have representation in this part of Parliament at the present time. Fears have been expressed that drastic changes may be made in the economic and financial order of this country by reason of the rise of the C.C.F. party. We have recently seen rather spectacular results in an election in Saskatchewan, while in the legislatures of British Columbia and Ontario the C.C.F. forms the official opposition. Do honourable members think that the present strength of the C.C.F. party in Canada is due to socialistic planks incorporated in its platform? I for one do not believe that to be so. On the other hand, I should like to point out that the C.C.F. has made, and is making, many friends in this country, particularly in the older provinces, by reason of its consistent position in reference to the status of Canadian citizenship. The C.C.F. party has not yet been doing business long enough in this country to have had registered on its escutcheon some of the black marks which history can record against both of the old parties in relation to their handling of problems in the province of Quebec. If the C.C.F. party ever assumes the reins of government in the federal field, it will have a more difficult task in keeping its record clean on these racial matters than it has had while in oposition. But the fact remains that on the question of racial discrimination as related to Canadian citizenship, the position of the C.C.F. has been consistent, and in my opinion, sound. I make that statement from the point of view of a Liberal who is glad to see the C.C.F. adopting a liberal point of view with regard to that social and political situation.

I am not in a position to prophesy what will happen in British Columbia in the next federal election. It is quite possible that, by introducing the anti-Japanese cry, candidates representing the older parties may be able to defeat their opponents for the time being; but it is my opinion that for every temporary advantage which may be gained out there a corresponding disadvantage will be registered in the provinces east of British Columbia because of the introduction of this anti-social and bad political measure into the public issues of this country.

An observer of the operations of propaganda in the last great war wrote these cogent words:

> As war progresses and the strain increases, the sense of justice which makes men indignant degenerates into the spirit of revenge which makes them vindictive.

"If we cannot use a man's virtues, let us use his vices," was one of the famous phrases of Junius in his fight for the freedom of the press in England. The tendency in this racial issue is to read everything bad into the character of the Japanese, and to induce an intolerant arrogance of mind which will react with damaging effect on those who hold it, especially in the fast-changing international picture which confronts the world to-day.

I prefer to follow the wise and statesmanlike advice of Joseph Grew to the Government and people of the United States. He points out that among the people of Japan there is a fine cultured and peace-loving element of large proportions which should be preserved and cultivated by the people of the world; and he recommends that as soon as the hateful military gangsters who for ten years have dominated that country as well as China are eliminated root and branch, the United States and other Allied nations should help to re-orientate the international outlook of Japan through return to office of the peace party in that country, a party which in the early thirties and twenties, and indeed previously, expressed itself in very strong terms and exercised great influence.

Before concluding I should like to express high commendation of my honourable friend from Lincoln (Hon. Mr. Bench) for the quality of his maiden speech in this House.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LAMBERT: It is greatly to be regretted that, on account of ill health, he was prevented from speaking earlier. Another cause of regret is that there was not a full attendance of honourable senators on this occasion to enjoy his splendid address.

I suggest that in considering this Bill the guiding influence of the Senate should be a sense of justice, and not a spirit of revenge or narrow partisanship.

Hon. W. A. BUCHANAN: Honourable senators, I intend to occupy only a few minutes in discussing this question, which I approach from a standpoint that has not been mentioned in the debate so far. In my opinion, there is involved in this question a principle affecting the citizenship that we have bestowed upon people who came to Canada from other lands. I took a similar position when a measure of wider ramifications was introduced during the last war, and my opinion has not changed in the meantime. Large numbers of people have come here to live, taken the oath of allegiance and pledged themselves to our laws. My contention is that so long as they obey our laws and comply with the requirements of Canadian citizenship, their rights should not be disturbed. We talk much about the pledged word. True, these people have made a pledge to us, but was not the giving of citizenship to them a pledge on our part? If, as good citizens, they keep their pledge, why should we break ours? To get down to the question now before the House: why should we deprive them of one of the rights of citizenship, the right to vote?

Some reference was made to the attitude of the United States of America towards the Japanese. The traitorous attack on Pearl Harbor caused the Americans to enter into the war; they probably have suffered far more from the Japanese than have we. I made special inquiry to ascertain whether any steps had been taken to disfranchise Japanese citizens of the United States, and was advised that nothing of that kind had been done nor was expected to be done. Why should we, who boast of being second to none in our love of liberty and justice, take a step which could only be regarded as backward in comparison with the policy of our neighbours to the south?

I repeat that the people who came here from other lands and assumed responsibilities of citizenship, not only made a pledge to us but in return received a pledge. So long as they conduct themselves as good citizens, no matter what their colour or race, they should have none of the rights of citizens taken away from them.

I tried to ask a question of the honourable senator from Winnipeg (Hon. Mr. Haig), but for some reason or other he seemed inclined to pay less attention to it than to questions from other honourable members.

Hon. Mr. HAIG: I am sorry; I did not hear my honourable friend's question at all.

Hon. Mr. BUCHANAN: I understood him to say he believed that the provincial franchise should govern in Dominion elections.

Hon. Mr. HAIG: That is the law, and has been the law for a long time.

Hon. Mr. BUCHANAN: Then is my honourable friend in favour of lowering the voting age to eighteen years, in accordance with the recent move in Alberta?

Hon. Mr. HAIG: I am quite willing that people should vote at eighteen years of age in Alberta, if that is the wish in that province. I have no objection at all to that. The law has always been that the provincial franchise governs in Dominion elections.

Hon. Mr. EULER: Suppose the Legislature of Alberta decided to allow Japanese to vote in that province. Would my honourable friend be satisfied to have them vote in Dominion elections?

Hon. Mr. HAIG: If the Alberta Legislature took that action, the Japanese could vote in that province under the Act as it now stands.

Hon. Mr. BUCHANAN: This Bill would not allow them to vote.

Hon. Mr. HAIG: The law as it stands is that the Japanese cannot vote in British Columbia, and this Bill would extend that restriction to the Japanese throughout Canada for the duration of the war. Most of them who are outside of British Columbia were moved from that province since the war began.

Hon. Mr. BUCHANAN: I understand that. But would this clause 5 not establish a dangerous precedent? In any province a race of people might for some reason or other become disliked, and if the Legislature disqualified them from voting in provincial elections they would be disfranchised in Dominion elections as well. Then all the people of that race throughout Canada would be disfranchised in Dominion elections. Suppose that were applied to Danes or Swedes.

Hon. Mr. HAIG: Clause 5, as amended by the committee, could not apply to them.

Hon. Mr. BUCHANAN: I know the amendment would restrict clause 5 for the time being, but my point is that it would establish a dangerous precedent. In the future some government might wish to take advantage of that precedent and sponsor a disfranchising section far wider in its application than this one is.

Hon. CAIRINE R. WILSON: Honourable senators, I should like to say first that I have been much encouraged by the way in which this question has been dealt with by the honourable senator from Lincoln (Hon. Mr. Bench). I am sure we all feel that in him the Senate has acquired a powerful addition to its debating force, an addition which should enhance the prestige of this Chamber.

Some Hon. SENATORS: Hear, hear.

Hon. Mrs. WILSON: I have a distinct recollection of a remark made to me when I chanced to meet the late Senator Pope in the corridor, shortly after I was appointed to the Senate. He said: "You had better hurry into the Chamber. Your leader is talking about rights of minorities, a question on which you must be well informed." Well, since I came here I have been treated in the manner that my then leader recommended as suitable for minorities. I have never been made to feel that I was in a minority, except when some special privileges or courtesies have been accorded to me, as in the seating arrangements provided in another place this afternoon.

I am deeply concerned about the question involved in clause 5 of this Bill. The honourable senator from Provencher (Hon. Mr. Molloy) asked me, "How would you feel if your son were in Hong Kong?" I said, "I am pleased that my son is not in Hong Kong, but if he were there I should most certainly vote against this proposed racial discrimination, for I should not wish the Japanese to have any grounds for ill treating him." I have been told on good authority, by a returned traveller from Japan, that the suggestion to deport the Japanese from Canada was hailed with delight by the Japanese militarist party, which used it as a weapon of propaganda among all the other yellow races. The Japanese have always thought of themselves as leaders of the Orientals, and, as honourable senators know, are calling for an Asiatic bloc against the rest of the world.

It is interesting that our discussion of this matter should have coincided with the visit of the Prime Minister of New Zealand, who is noted for his tolerance of all races. It has been said that if the post-war settlement of Pacific problems is left to the Right Honourable Peter Fraser and the Honourable Walter Nash, it will be in safe hands.

A number of references were made to the United States policy with respect to the Japanese. I have read that, on the testimony of the Federal Bureau of Investigation, there was not a single case of sabotage in the Hawaiian Islands, that the Japanese there have carried on in an exemplary manner since the attack on Pearl Harbor. I am still puzzled to know why we should hold the sins of the Japanese militarist party against peaceful citizens of Canada. The honourable senator from Ottawa (Hon. Mr. Lambert) alluded to the testimony of Joseph Grew, who spent many years in Japan as United States Ambassador, and who had perhaps more reason than any other person to be critical of Japanese policies. I must say that the other day I had the great pleasure of meeting Lady Marler, who had come to Ottawa for the special purpose of assisting in the setting up of a hostel for Canadian-born Japanese. She earnestly feels they should be given as generous treatment as possible.

We have been reading with interest some of the reports of our nationalities committee. One recommendation which they stress is that we should make sure to welcome immigrants who in our judgment will become assets to this country, and that these people should be instructed in good principles. How can they have confidence in our principles if we go back on an agreement that we have made? I should like to see much more formality introduced into the ceremony of naturalizing new-comers, with a view of impressing upon them the importance of their new privileges and responsibilities. I have been deeply touched by the way in which some new-comers have accepted our gift of citizenship. Their satisfaction has been keen. All with whom I have come in contact seem to be determined to make a contribution to the welfare of our country.

We should not do anything to give the Asiatic peoples cause to believe that we intend to discriminate against them for ever. Our prestige in the Orient has sunk very low during the last fifteen years, as I think all honourable members will agree. Strongholds that were considered impregnable have fallen. For years I strove to prevent the continuous export of weapons of war to Japan. We knew that country was waging a very cruel war against China, yet we did nothing to help the Chinese defend themselves against the aggressor. In the immediate pre-war years the

volume of that export business was at least trebled, a fact that will be an everlasting reproach against our national honour.

I should like to place on record a telegram that has come to me from Vancouver: it is not the only proof I have received that opinion in British Columbia is not all on the one side. The telegram reads:

Executive Committee Vancouver Consultative Council requests your active resistance of section of House Bill 135 disfranchising on racial grounds evacuated Canadian citizens. We deplore apparent exploitation of wartime passions to commit Parliament to policies involving principles hostile to democracy and Christianity. Discount any assumption that extreme views expressed by exponents of racial antipathies represent any matured consensus of British Columbia opinion.

Norman F. Black, President.

We have the testimony of the Social Service Councils of the churches in favour of the Japanese in other parts of Canada. We may regard this as a British Columbia problem. Certainly, that province does not appear to wish the aid of other provinces in solving the problem.

I have two very strongly-worded telegrams from the National Council and various local councils of the Y.M.C.A. The acting president of the Y.W.C.A. has telephoned me from Toronto that she was very much exercised when she heard of this Bill. I have also received a strongly-worded telegram from Mrs. Agnew, president of the National Council of the Y.W.C.A., and a number of telegrams from Winnipeg and other cities. I should have to detain the House until midnight if I read all the telegrams I have received.

I should like to state some of my reasons for objecting to the Bill. First, it in no way contributes to the war effort. Many Japanese are doing valuable war work and a considerable number would like to have volunteered for service in the armed forces, had they been permitted to do so. Second, it denies fundamental rights of citizenship, on purely racial grounds. Third, it surrenders to any single province authority to determine who shall and who shall not vote in all of the provinces in a Dominion election. Fourth, it is a denial of the principles of justice and democracy for which we are supposed to be fighting. Fifth, it will create difficulties in racial relations, particularly with all Oriental races after the war. Sixth, it discrimates unjustly between Occidental and Oriental enemy races with whom we are at war.

Canadians of Japanese racial origin are no more responsible for the actions of the Japanese militarists than are Canadians of German racial origin responsible for Hitler and his outrages. Notwithstanding this obvious truth, Canadians of Japanese origin are denied rights of citizenship which are accorded to Canadians of German origin without question. Among the rights denied to Canadians of Japanese origin are:

(a) The right to make the contribution to the war effort which they are qualified to make.

(b) The fundamental right to education on the same basis as other Canadians.

(c) The right to own property and engage in any lawful business or profession anywhere in Canada.

(d) The right to security and equal treatment before the law, free from the threat of deportation or any other discrimination.

The honourable senator from Edmonton (Hon. Mr. Griesbach) alluded to the coloured races. I may say that the French Republic gave equal treatment to all races in its colonial possessions, and it was owing to this that we were able to hold a very important part of Africa. I hope it will not be necessary for our grandsons and granddaughters to go through the experiences which our sons and daughters are now going through. I urge again that we consider this question very carefully before sowing the seeds for future wars. I certainly hope that my sons will not have to give their lives perhaps in vain, in the present struggle.

Hon. JAMES MURDOCK: Honourable senators, we have heard many arguments pro and con as to whether this Bill should pass, and a little while ago I understood my honourable friend the acting leader opposite (Hon. Mr. Haig) to suggest that the ministers whose joint telegram was read might do well to leave the matter alone.

Hon. Mr. HAIG: I never said that.

Hon. Mr. MURDOCK: Read what you said. You intimated that they had no business to butt into it.

Hon. Mr. HAIG: I never said that at all. You go ahead and make your speech, then read mine, and we shall both be happy.

Hon. Mr. MURDOCK: Don't change your speech.

Hon. Mr. HAIG: I am not changing it at all. You read it, and you will be happy.

Hon. Mr. MURDOCK: I think the ministers of Canada have some rights in the premises. I believe they have a right to advise us. I imagine that on this particular question a considerable number of ministers

throughout the length and breath of Canada will preach sermons on the first verse of the 24th Psalm:

The earth is the Lord's and the fulness thereof; the world, and they that dwell therein.

Some honourable gentlemen want to question the Lord's authority over the human beings on this earth. My honourable friend from Edmonton (Hon. Mr. Griesbach) suggested: "Pass this Bill as it reads. We shall never have a better chance to get rid of the Japanese after this war." That is what is involved. I do not know a single Japanese anywhere, but I have some conception of the horrors that the white man has imposed on the Japanese. How? On Sunday, November 12, 1905, I was in a western city, breathing the air off the Pacific Ocean. At the lodge meeting I was attending I saw a policeman in uniform. After the meeting he came up and shook hands with me, and said: "Would you like to see some of our town to-night? I am going on duty pretty soon." I said, "Sure." He took me to where he was on duty for, as I recall, eight or ten hours. Where was it? In a four- or five-story building, with halls running all around on each floor. The rooms off these halls were about eight feet wide and ten feet long, each containing a couch and one chair. The bottom half of the door was closed, the top half open. In this building there were, I should judge, about four hundred of what looked to me like beautiful little Japanese girls. Who brought about that condition? The white man.

Hon. Mr. GRIESBACH: No. It is a national custom in Japan, as any man who has read about the country knows.

Hon. Mr. MURDOCK: All right. I will put it in another way.

Hon. Mr. ASELTINE: What did you do about it?

Hon. Mr. MURDOCK: I walked with the policeman to the several floors to see what was going on.

Hon. Mr. HAIG: Oh Jim! Oh Jim!

Hon. Mr. MURDOCK: What did you think I would do about it? My honourable friend from Edmonton denies that the white man is responsible. I do not know, but I am pretty certain a white man was collecting the gold that came—

Hon. Mr. HAIG: Oh, no.

Hon. Mr. MURDOCK: I will guarantee that when the bell rang and, before the top door was closed, someone came up to get the money, as happened quite often, and that the money went into a white man's pocket.

Now we are confronted with the question of having eight provinces pull British Columbia's chestnuts out of the fire, so that, as my honourable friend from Edmonton suggested, "We shall never have a better chance to get rid of the Japanese after this war." That is what is involved. The earth is the Lord's and the fulness thereof, and if these human beings are made in the image of God, surely they have some rights on this earth other than to be exploited.

By the way, how did the Japanese come here in the first place? Merely because individuals in higher walks of life, desiring cheap labour, got men who would work from dawn to dusk for about 75 cents a day and a couple of bowls of rice. That is what brought it about. Those who originally were responsible for bringing the Japanese here are probably gone to their judgment. Now we are seriously discussing a proposed law which contemplates that "we shall never have a better chance to get rid of them after this war." Disfranchise them now as they are disfranchised in British Columbia under the law in effect in that province, but get the other eight provinces to acquiesce and say, "We will not let them in."

How many Japs are involved outside of British Columbia? Here are the figures. When the war with Nippon broke out there were some 21,349 persons of Japanese ancestry living in coastal British Columbia and about 1,200 elsewhere in the same province, or a total of 22,549. There were 600 in Alberta, and approximately 370 in the rest of Canada. For the sake, it is alleged, of disfranchising 970 Japs eight provinces are asked to put their support behind this particular bill.

On the editorial page of the Toronto Daily Star of last Tuesday I find this letter, signed by, I presume, a Japanese:

What The Bill Means

To the Editor of The Star.

Sir: I was amazed, indeed shocked, to learn that the federal Government at Ottawa has adopted a bill a few days ago; namely, disfranchising Canadian citizens whose forefathers' countries are at war with Canada. It is horrible to think that a democratic nation, as Canada, would pass such legislation. It is truly contrary to her principle. I hardly think there is any other democratic nation in the world taking such a step at this time. One often wonders what we are fighting for and why these men and women are laying down their lives. It looks as though their efforts in the front are futile and meaningless. I would like to call attention to men and women of every walk of life to see what this Act means, not so much in the light of minorities affected at this moment, but to the future well-being and progress of our fair Dominion. This may mean an end to transcending moral obligation as a leading nation. It looks to me that we are destroying the very end we are trying to attain.

J. John Kumagai.

It is my opinion that the amendment should pass. I think clause 5 should never have been presented to Parliament at all, because it is a case of racial discrimination against the people of only one of the countries with which we are at war. I submit that we should vote for this amendment and so prevent racial discrimination being charged against Canada in the future.

Some Hon. SENATORS: Question!

The Hon. the SPEAKER: Honourable senators, are you ready for the question? It has been moved by the Honourable Senator King, seconded by the Honourable Senator Copp, that this Bill be now read a third time, to which it has been moved in amendment by the Honourable Senator Bench, seconded by the Honourable Senator Lambert:

That this Bill be not now read a third time, but be amended by deleting section 3, and that consequent upon such deletion the subsequent sections of the Bill be renumbered accordingly. and that section 11 be amended by striking out the words "and eight" where they appear in the first line thereof.

The question, honourable senators, is on the amendment. Is it your pleasure to adopt the amendment?

Some hon. SENATORS: Carried.

Some hon. SENATORS: No.

The Hon. the SPEAKER: Those in favour will please say "Content"; those against will say "Not Content."

Some hon. SENATORS: Not content.

Some hon. SENATORS: Content.

The Hon. the SPEAKER: In my opinion the "Non-contents" have it.

Hon. Mr. MURDOCK: Can we not have a vote?

The Hon. the SPEAKER: Yes.

Hon. Mr. LAMBERT: Let us have a recorded vote.

The amendment was negatived on the following division:

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Honourable Senators

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Euler	Murdock
Hushion	Wilson—9.
Lambert	

The Hon. the SPEAKER: Call in the members.

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Honourable Senators

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Bourque	Molloy
Copp	Riley
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Griesbach	Sinclair
Haig	White—13.
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The Hon. the SPEAKER: I declare the amendment lost.

Hon. Mr. BUCHANAN: I was paired with the honourable senator from St. Jean Baptiste (Hon. A. L. Beaubien). Had I voted, I should have voted for the amendment.

THIRD READING

The Hon. the SPEAKER: Is it your pleasure to adopt the motion for the third reading of the Bill.

Some hon. SENATORS: Carried.

The Bill, as amended, was read the third time, and passed.

ADJOURNMENT

Hon. Mr. KING: I would move that when the Senate adjourns to-day it do stand adjourned until Tuesday, July 18, at 8 p.m.

The motion was agreed to.

The Senate adjourned until Tuesday, July 18, at 8 p.m.

APPENDIX

THE PRIME MINISTER OF NEW ZEALAND

ADDRESS OF THE RIGHT HONOURABLE PETER FRASER TO MEMBERS OF THE SENATE AND OF THE HOUSE OF COMMONS, IN THE HOUSE OF COMMONS CHAMBER, OTTAWA, JUNE 30, 1944

Mr. Fraser was welcomed by the Right Honourable W. L. Mackenzie King, Prime Minister of Canada, and Mr. Gordon Graydon, Leader of the Opposition, and thanked by the Honourable Thomas Vien, Speaker of the Senate, and the Honourable James Allison Glen, Speaker of the House of Commons.

Right Hon. W. L. MACKENZIE KING (Prime Minister of Canada): Your Royal Highness, Members of the Senate and of the House of Commons, ladies and gentlemen:

We are delighted to have as a guest of Canada to-day the Right Honourable Peter Fraser, the Prime Minister of New Zealand.

I desire, Mr. Fraser, to extend to you the warmest of welcomes on behalf of the people of Canada; and on this occasion more particularly to welcome you on behalf of all the members of both Houses of Canada's Parliament, members of all political parties, and, perhaps I should add, one or two who for reasons best known to themselves claim they are not members of any party.

I am sure I may also be allowed to express a word of personal welcome.

During the years of war you and I have shared like responsibilities, and recently have been closely associated in the meetings of Commonwealth Prime Ministers in London. I have greatly looked forward to the honour of introducing you, as I did quite recently Mr. Curtin, the Prime Minister of Australia, to my fellow-parliamentarians. That great pleasure and honour I have to-day.

You will be interested to know that Mr. Churchill, who presided over our meetings in London, also spoke from this table to members of our Parliament on a visit he paid to Ottawa in December, 1941. Ottawa has also had the honour of a visit from Field Marshal Smuts. That, however, was as long ago as 1930. I regret it has not thus far been possible for the Prime Minister of South Africa to pay us another visit. We shall hope to welcome him at some time in the near future. The welcome will be all the greater should the defeat of our common enemies have been accomplished meanwhile.

This is Mr. Fraser's third visit to Canada during the present war. It is, however, the first time he has been in Ottawa when our Parliament was in session. We are delighted that he has consented to address us this afternoon, and I wish to thank him at once for his kindness in so doing. Our interest is redoubled by the knowledge that he has recently visited the battlefront in Italy where fighting men of New Zealand and Canada have been in action side by side.

Before I ask Mr. Fraser to speak to us, I should like to say a few words intended not only for the Prime Minister, but equally for the Parliament and people of New Zealand.

When Mr. Fraser visited Canada in the late summer of 1941, the war might well have seemed to his countrymen remote and distant. In miles, no country was farther from the battlefronts than New Zealand. Yet no country had entered more whole-heartedly into the struggle. Early in the war, naval forces of New Zealand had taken a brilliant part in the battle of the River Plate, in which an end was put to the Graf Spee. Soldiers from New Zealand had already covered themselves with honour in the Western Desert, in Greece and in Crete. The young airmen of New Zealand, many of whom had been trained in our midst, had already distinguished themselves in the unending battles in the skies. I cannot tell you, Mr. Fraser, how favourable is the impression which the young airmen from New Zealand have made upon us all in the course of their sojourn in Canada.

It will ever be remembered that New Zealand did not wait for the forces of tyranny to approach her shores, that she recognized that freedom threatened anywhere meant freedom threatened everywhere. From the outset, the young men of New Zealand went forth to uphold freedom wherever it was assailed.

When, a year later, Mr. Frazer visited us a second time, the war in terms of geography was for New Zealand no longer distant and remote. While to Australia the threat of invasion by Japan was more immediate, to New Zealand it was also perilously close. Despite their great anxiety, the people never faltered. The fighting men of New Zealand—those who were not already serving in European and African theatres—took their place beside their comrades from Australia who were resisting the invader. Together they held him at bay until United States forces were also in the firing line. In turning back the Japanese tide the New Zealanders have played a valiant part.

We are indeed proud to-day to recall that armed forces of Canada and armed forces of New Zealand have throughout the war fought side by side in many parts of the globe. I wish this afternoon to give you, Mr. Fraser, the assurance that this comradeship in arms will continue until, in both hemispheres, the defeat of our common enemies is accomplished. Thereafter the comradeship between our peoples at a time of war will become a partnership, closer than ever, in all that pertains to the arts of peace. Meanwhile, as a further evidence of the community of interest which exists between Canada and New Zealand, there will be tabled to-day, in your Parliament and in ours, copies of a Mutual Aid Agreement between Canada and New Zealand which was signed at Ottawa on the eve of your arrival in our country.

May I add how pleased we are that on your present visit you are accompanied by Mrs. Fraser and General Puttick, Chief of the General Staff, New Zealand Forces. To Mrs. Fraser and to General Puttick I would also extend a very cordial welcome. We wish you all, and all of your party, a pleasant sojourn in our capital and a safe return to your homeland. We wish your stay in Canada might have been a little longer. We would ask you to take with you to the people of New Zealand an expression of the admiration of the people

of Canada for their outstanding contribution to the war effort of the United Nations. We would like you to tell them of the pride Canada feels in the deepened friendship of our two countries. And we should be pleased if you would convey to the members of the armed forces and to all the people of New Zealand our best wishes for the success of their great endeavours.

I shall ask Mr. Graydon, the Leader of His Majesty's Loyal Opposition in the House of Commons, to join me in the welcome being extended to-day on behalf of all members of the Parliament of Canada to the Prime Minister of New Zealand.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Prime Minister and honourable members of the Senate and of the House of Commons, ladies and gentlemen: I deem it a high honour to be granted the privilege of making unanimous the courteous and cordial welcome accorded so fittingly to New Zealand's distinguished Prime Minister on this wartime occasion by the Prime Minister of Canada.

Although that small but mighty island member of the British Commonwealth is widely separated by distance from this Dominion, no people stand higher in Canadian esteem. No people anywhere are closer to Canadian hearts. The exemplary character and conduct of those fine lads of the Royal New Zealand Air Force while here in training during this war have served to unite more firmly than ever the bonds of friendship between us.

New Zealand has strained her last sinew to lay her all on the altar of liberty. More than one out of every ten of her population will be found making their magnificent contribution in the armed services, while major decorations for gallantry awarded to her valiant fighters exceed in numbers those won by the forces of any other nation of like population in this war. Added to this, she had the distinction and honour of being the first of the Commonwealth powers to range herself at Britain's side when the present world-wide conflict came. On the home front too, her workers, her farmers, her industry and her citizens in general have shown the world, by their high level of wartime production and their personal sacrifices, what total war really means.

Mr. Fraser, we honour you to-day not only as the wartime leader of the New Zealand people and a power in commonwealth affairs, but for what your life and your example have meant to us all. Truly it can be said, as it has been said of many another Scotsman, that you are one more honour graduate of the school of hard knocks and experience who has made good in the broader field of public affairs. Your preparation for the heavier responsibilities involved in national leadership, gained as it was in the ranks of the workers, in the trade union movement and in the field of journalism, gave you a foundation and furnished an inspiration which cannot fail to be of inestimable value.

We in this Parliament and country extend to you and Mrs. Fraser a royal welcome to-day. May you both experience a safe and pleasant journey home, and may I suggest that you carry with you the greetings and best wishes of the Canadian people, who join with yours in a fervent prayer that God may speed the day when the war drums throb no longer and the battle flags are furled in the parliament of man, the federation of the world.

Mr. Fraser, I join with our Prime Minister to make this nation's welcome unanimous.

Right Hon. PETER FRASER (Prime Minister of New Zealand): Your Royal Highness, Mr. Speaker of the Senate, Mr. Speaker of the House of Commons, members of both Houses of Parliament:

I wish to thank you most sincerely for the welcome you have extended to me, first of all as the representative of New Zealand. I wish to thank Mr. Mackenzie King and Mr. Graydon for the all too kind words about myself, and for the friendly and hospitable references to Mrs. Fraser and General Puttick and our other friends who are with me.

I am glad to have this oportunity of speaking under this historic roof, in this home of the representative institutions of the oldest and the largest British dominion. I thank the speakers for their kind references to New Zealand's part in the war effort and the fight for humanity and freedom. But I also know what your country has done. I know its great contribution, and I wish to extend to the Government and Parliament of Canada my very sincere thanks for their co-operation, and for the help they have invariably extended, when requested by New Zealand, in the form of munitions and other war requirements. We never ask in vain. I echo the sentiments of your Prime Minister when he expressed the hope that this co-operation, trust and good will may extend far beyond the utmost boundaries of the war period and prevail in the future, contributing to the success as well as the friendship of our two peoples.

I wish to express a word of appreciation of the latest instance of that co-operation, comradeship and assistance. The Prime Minister has announced that during the present week

New Zealand and Canada have signed a mutual aid agreement. This gives me an opportunity to express appreciation of the mutual aid principles that have been so carefully worked out by the Canadian Government. And I think you will join with me, Mr. King, as all others will, in paying tribute also to a great man, the President of the United States. Of course I step aside from politics, both in the United States and Canada; but irrespective of political parties or leanings, we pay a sincere and heart-felt tribute to President Roosevelt, as a true friend of humanity, as the man who evolved the plan under which a most generous contribution was made by a neutral nation to the cause of those of us who were fighting for freedom. History does not record any more generous action on the part of a non-belligerent country toward countries which, as they knew, were fighting the battle of humanity.

The principles embodied in the mutual aid agreement just signed between Canada and New Zealand are appreciated greatly, because of the clarity with which they state that mutual aid transactions carry with them no hampering post-war financial liability. The agreement is for mutual aid. I stress "mutual aid," because while Canada with its great industry has made a remarkable contribution to the needs of the United Nations, and while the agreement will extend aid to the country of which I am privileged to be Prime Minister, New Zealand in turn, wherever and whenever Canada can be helped by the use of our resources, will gladly make them available. She will be proud to reciprocate within the means at her disposal.

This war requires a common effort, in which we all are pledged to join, individually and collectively, to the utmost extent, in order to achieve victory for all. In that pledge of unremitting effort we in New Zealand, with you in Canada, hope to carry out to the fullest degree the true spirit of mutual aid.

May I mention another important contribution of this country toward the solidarity of the United Nations? I refer to the good neighbour policy which has been in effect for so many years with our friends in the United States. If in the whole world there is one example more striking than another of the benefits of such a policy, it is to be found in the St. Lawrence river, the Great Lakes, the long miles of western prairie, on which there is no fort and no gun, and where on both sides of the line there is friendship and co-operation. That example of two great countries on the North American continent, with the understanding which in the past has been established between them, has stood us in good stead in our hour of trial, and its influence has extended to all the United Nations. Canada has given the lead.

I am not going into details with respect to your war effort. You know about that. The fact that 800,000 men and women have been enrolled in the forces, and the further fact that 2,000,000 persons are taking part in the industrial war effort of this country, are sufficiently eloquent and convincing testimony as to the whole-hearted way in which Canada has thrown itself, without reserve, into what it knew was a struggle for the existence of all that is decent in the life of mankind.

Canada, like New Zealand, had no doubt in September, 1939, as to where it would stand. Canada, like New Zealand, like South Africa and Australia knew that our Mother Country had gone to the limit—yes, had gone beyond the limit—and had risked dangers in her endeavour to convince people who would not be convinced that the path of righteousness was the path of safety and security for everybody.

Our countries had not piled up arms. They had not invested their capital in huge, hidden forces to be let loose in a flood of destruction upon mankind. Whatever may be said as to the wisdom of policies immediately preceding the war, this at least will be counted to the credit of the United Kingdom and the British Commonwealth of Nations, that our feet were turned into the paths of peace, and our thoughts were toward benefiting our people rather than dominating and trampling other peoples underfoot.

You have fought in every field of action. Your men fought bravely against overwhelming odds at Hong Kong. They took part gallantly and brilliantly in the commando raids, particularly at Dieppe. They took a share, too, in the hazardous and dangerous landings in Sicily and Italy, and the other day they again covered themselves with glory, being among the foremost fighters for freedom in the landings in Normandy.

I am not going to deal with your amazing industrial contribution—and I underline the word "amazing," for the development of your munitions industry, your factories and your shipbuilding is indeed a surprising and gratifying story and something beyond what even your most sanguine citizens had a right to expect. I might mention, too, your contribution on the seas, and your help in convoying ships of the United Nations, including New Zealand ships carrying New Zealand food. Again, your acceptance and your carrying out of the air training scheme, with all its complexities and perplexities, all these services to our cause have placed the rest of us under

a debt of gratitude to your Dominion, a debt which we gladly recognize. Canada can say, equally with the United Kingdom and with other countries of the British dominions, that she has given to the limit of her resources. No more can be done.

One word of gratitude for the hospitality extended to our New Zealand boys, of whom such generous recognition was made only a few moments ago. We are very proud of them. I knew we had every right to be proud of them when, the other day, I saw them in our division in Italy, right from the base camps up to the firing line where our Maori battalion, composed of representatives of one of the finest races on earth, was fighting and leading the attack against the enemy at Atina and Sora. I saw that division working. I saw its efficiency, its smoothness, its good spirit. Its spirit was democratic, too, for every officer in that division had come up through the ranks. It has been a most successful experiment in democracy.

It is a splendid fighting division—as no doubt your divisions are also; indeed we know their qualities—but we realize that our divisions to be first class must also be efficient business concerns. There is the feeding of the men, the organization, the huge transport of a modern force; all these require business capacities as well as soldierly qualities. They require efficiency and acumen as well as courage. I was proud to see the New Zealand lads assume their responsibility and carry on so well. I have seen these lads, as no doubt you have seen your own, in the Army, the Air Force and the Navy, rise to great responsibilities and carry on steadfastly and efficiently.

It is mainly because of the widespread capacity to take advantage of democratic opportunities, educational and otherwise, that our boys have done so well. As was stated by Mr. Mackenzie King, the boys of our Army, our Air Force and our Navy have been fighting wherever there is fighting to be done. Our boys were in the desert, in Greece and in Crete. They fought in that terrible fight, which was one of the worst experiences that could be undergone, the battle of Sidi Rezegh. They were there when Rommel was sweeping everything before him to the very gates of Egypt. Our men made a record journey from Syria down to Mersa Matruh. I well remember a letter to me from General Freyberg, in which he said he was going up onto the escarpment the next morning, that his division was going up "to meet Rommel head on." They did, and they held on for two days. They held Rommel and his army back, and the 8th Army was able to re-form at Alamein, part of it in trenches dug by the New Zealanders months before. We are proud of what the New Zealand troops did at Alamein; we are proud of the contribution they made to saving the Middle East. We are proud of their subsequent sweep, along with the rest of the British and Dominion forces, right through to Tunis.

We are glad that to-day New Zealand troops are fighting side by side with your boys in Italy. I saw some of your lads there, and I saw others in the United Kingdom before the invasion. I saw your second-in-command in Italy, General Burns, and I was much impressed by his ability, his grasp of the military situation, just as I was impressed by General Alexander and all those who have contributed to the successes there.

Mr. Mackenzie King will agree with me when I say that a splendid opportunity was afforded to us when we visited the United Kingdom recently and met at the Prime Ministers' Conference to study the strategy of the United Nations. He will agree that we saw invasion preparations that exceeded anything we ever dreamed of. The advance already made has gone beyond my most sanguine anticipation. It was a splendid thing to see Eisenhower and Montgomery, Portal and Tedder, Cunningham and Brooke and all the other United States and British officers working together just as though they all had come from the same country. Never has there been such complete co-operation as in this command, which is destined not only to achieve victory in Normandy but to defeat Germany.

I am not going to prophesy, but things may happen that will bring victory quicker than we anticipate. Be it soon or be it delayed—it cannot be long delayed—victory is certain. We have been told enough of the plans of the combined general staffs to know that after Germany is accounted for, after the Russians come in again with their sweeping advances from the East and our united forces come in from the West; after the people of France rise; after Germany has been swept back into her own territory and then swept out of it—then the general staffs in Washington and London will give to Japan a larger measure of attention, than already has been very effectively and efficiently directed to her.

Japan also is being swept back. When the time comes to direct all our forces against her, we expect Mr. Mackenzie King to come down to New Zealand and Australia, along with Mr. Churchill and the other leaders, to see for themselves what has been done there, and help to complete plans for the final blow.

Just a word about the future. We are fighting for great principles, and we can testify that those principles have not been dimmed, nor has the spirit of the people diminished. We hear a lot about Great Britain just now, about the flying bombs, the pilotless planes. We cannot underestimate these, or treat them too lightly. But the people of Britain under this new affliction are standing as they stood at Dunkirk, when their shores were open to invasion, and when the words of Mr. Churchill, ringing out not only through Britain but through the world, raised an echo in every heart that beat for freedom, when he said they would fight on the shores, on the streets, on the hills and in the valleys. That spirit is still there. After four and a half—it is getting on to five—years of war, the British people are still unflinching. That can be said of all of them—from Their Majesties the King and Queen, who have stood constantly in the forefront in a manner which has shown that they are truly associated with their people—right down through all walks of life. That spirit is still unbroken, still undimmed; it is destined to endure. The British people feel as they did when their armies were miraculously delivered from France. They will be able to face up equally well to any new inflictions. Even if many may be killed, even if many may be injured, even if many homes may be destroyed, there is no trembling, no going back. There is nothing but courage unsurpassed, a courage rising to heights that have never been exceeded.

The sacrifices made by our men and women on land, in the air and on the sea and in their homes when these have been attacked, as in Britain, must not—I speak most seriously and earnestly—be in vain.

We are fighting first for the principles set forth in the various declarations of the United Nations, and secondly, for the principles set forth in the Atlantic Charter. We went to war, not for Poland alone, but Poland was the occasion. We had seen Manchuria turned into the puppet kingdom of Manchukuo; we had seen Abyssinia trampled under foot; we had seen Austria go next; we had seen the Rhineland taken; and Czechoslovakia overwhelmed. We knew there had to be a stopping place; otherwise, the world would be given over to tyranny, bloodshed and cruelty. The stand was taken. The principles then enunciated have been stated in my hearing and that of your Prime Minister time and time again during our conferences. They are these: the United Kingdom and the British Dominions are not out for aggrandizement or territory, not out to conquer or dominate anybody whatsoever. They are out to free mankind, and that means the nations that have fought beside us. I would refer particularly to France. There were many Frenchmen who pinned their faith to the cross of Lorraine and did not bow the knee in the house of Mammon. We have had our own New Zealanders escaping from Italy, through Switzerland, and then through France to Spain. French men and women in all walks of life risked their lives cheerfully and willingly to aid them, even against the protests of those whom they were succoring and helping to escape. The people who have shown that spirit will rise triumphant and their country will once more become a great leader among the nations and a great repository of human freedom.

These nations, according to the declarations of the leading United Nations, must be fully restored, and their territories must be given back, wherever they may be; because unless our word is carried out, the very foundations of faith will shake and fall, and there will be no resting place for honour in the world. France will be restored, as will Poland, Belgium, Holland, Norway, Yugoslavia, Czechoslovakia and Greece, and their overseas territories.

I pause for a moment to thank the Government and the people of Canada for the help they sent to the starving people of Greece and Crete, for the wheat they have sent over there by the thousands of tons and for the assistance in other respects that they are continuing to give. I would tender my own and my country's appreciation, of the splendid offer of assistance that came from here when millions of people in Bengal were sickening to death through the famine. Our friends in Australia also assisted, as we also did, according to our capacity. These are gestures, deeds, actions that will cement the world and bring us into greater friendship and comradeship to face the problems of the future.

The principles of the Atlantic Charter are not platitudes, nor meant to be platitudes. They are principles that must be honoured because thousands have died for them. Your boys, boys of New Zealand, South Africa, Australia, India, the United States and all the United Nations have given their lives that the four freedoms—freedom of speech, freedom of religion, freedom from fear and freedom from want—may be established and the masses of the people given greater opportunities than ever before. Unless we strive to carry out those principles we shall be undoing in peace what has been won on the battlefield.

I heard it said many years ago that there were two kinds of enemies of progress: those who stood still and looked backward, and those who looked forward and stood still. After the last war promises were made in various countries—I am not singling out any country or people or government; I am stating a fact—promises were made, and made in good faith. They were made because it was believed, even by those who made them, that they would be carried out. But the years came and the years went, and instead of the promises being fulfilled, we had an overwhelming sense of impossibility, the overpowering feeling that they could not be fulfilled. So, instead of enthusiasm on the part of the masses, particularly on the part of the young people who with their generous hearts, having fought the war, wanted to reach out to a better future, we have had cynicism, disappointment and despair. We must give faith to our young people. We must tell them that as they have fought, and as they will win the war, so must they take their place and help to garner the fruits of victory for all the peoples of the world. If that is not done people will say cynically: "These promises were all right when the war was on, but you cannot do anything about it now." If these promises are not fulfilled there can be no doubt that the forces of despair will develop into reaction; once more the ground will be ripe for the seeds of Nazism and fascism, and democracy's final chance will be gone.

Conferences are being held to help the world towards a better day—conferences on commercial questions, on monetary and financial questions; on production of food—conferences that do credit to the good heart of the democracies; conferences to rehabilitate the nations that have been trampled under foot by Germany, Italy and Japan. These are excellent, and I have no doubt that the requirements, in particular the necessities, of all the respective countries, will be considered and allowance made for them. But unless the mass of the people feel that in return for their efforts on land, on sea and in the air, in the workshops and on the farms, on the docks and in the mines, the vision of a new world is a reality, that the leaders of nations were in earnest when they preached fundamental democracy, not only political democracy but educational, economic and social democracy, then I say there is a black outlook for the world.

But there is no reason why the outlook should be black. The British nations are more solidified to-day, as they are more determined and more enthusiastic for democracy, than ever before. Here is a paradox which the world outside the British Commonwealth finds it difficult to understand, the paradox that the freer we become, the closer we are together; the more our constitutional bonds are relaxed, the more closely we are held in bonds of friendship; the greater the extent to which government sovereignty is extended to the various parts of the British Commonwealth and Empire, the more truly one we are in sentiment, in heart and in spirit—one in peace as well as in war.

That is something which the nations do not understand. The British peoples—and when I say the British peoples I mean all the races under the British flag—have responded to the principles of self-government and of trust and friendship extended by the Mother Country, and have raised with their sons, around the Mother Country, a wall of fire, and have forged bonds as light as air, though as strong as steel, bonds that are stronger now that ever before. A fortnight ago I was with a friend in the north of Scotland. He pointed out to me a certain fort, and said there were one or two of the kind in Scotland. There is no cement, no lime, no concrete in the construction of that fort. It is built of vitrified stones, the residue of a huge bonfire, whose heat was so great that it melted the stones and united them into a solid mass. Well, my thoughts turned from that to our Commonwealth. In the fires of war, in the trials, the tribulations and the dangers of war, we have been welded together so that we are stronger than ever. We want to extend that sense of solidarity, that sense of security to the other nations.

I am going to mention only one country. I devoutly hope, from the bottom of my heart, that India will see through all the senses of injury or wrong of the past, through all the mist of prejudice of one kind or another, to the fact that no greater freedom can be attained than that of a sovereign state in the British Commonwealth. We all should like to welcome India in as one of ourselves, for she also is rendering a great service to humanity.

In conclusion, I would say that at this moment conditions are different from those that prevailed when I visited here in 1941. Then all was black except for the light of faith in the eyes and hearts of the British people, not only in the United Kingdom but everywhere. They are different again from when I came here in 1942, nearly two years ago. For then the United States had come in and we were just beginning to ascend the ladder of victory. To-day we have the enemy on the run. He will stand and fight bravely and unscrupulously, and he will make use of all the diabolical weapons that the ingenuity of the human mind can bring into existence. But it will all be in vain. All the powers of hell cannot prevail against those who believe that they

are fighting the battle of righteousness, of truth, of justice and of freedom, and are determined that the new world shall be a new world in truth and in deed, as well as in spirit, and that we all shall go forward—you in Canada, we in New Zealand, the people of the Motherland, and the people of all the British Dominions—marching shoulder to shoulder in war time, prepared to march shoulder to shoulder afterwards toward that new world that will be a new Jerusalem.

Mr. MACKENZIE KING: I will ask Their Honours the Speaker of the Senate and the Speaker of the House of Commons to express our thanks to the Prime Minister of New Zealand for the deeply moving address to which we have just been privileged to listen.

(Translation):

Hon. THOMAS VIEN (Speaker of the Senate): Your Royal Highness, Mr. Prime Minister of New Zealand, I am very happy to offer you in my mother tongue, one of the two official languages in this country, the heart-felt and sincere thanks of the Senate, of the House of Commons and of the people of Canada, whom you have honoured today by your presence and by the moving address you have just delivered.

In the Old World, Celts and Gauls take pride in their common ancestry, in their close affinity of mind and temperament. Was there not once a celebrated woman who was at the same time Queen of Scotland and Queen of France?

In Canada, after the Battle of the Plains of Abraham, the Fraser Highlanders Regiment was demobilized and a number of Frasers settled in this country. One of them gave his name to Fraserville, a lovely little town on the shores of the Lower St. Lawrence. In British Columbia, the Fraser Valley, one of our most fertile plains, is watered by a river which bears your name. All of which illustrates, Mr. Prime Minister, that the name which you have made famous in the South Pacific is known and honoured everywhere in Canada.

In our geography text-books, we first learned of the two islands which comprise your country and of the tremendous distances separating it from our own. But current history soon taught us that New Zealand, often called the "Britain of the South Seas," although established barely a century ago, is already renowned throughout the world for the volume of her external trade, for the liberal and progressive character of her social legislation, for the heroism her men have shown on every battlefield during two world wars, and for her magnificent contribution to the United Nations' effort.

We know also the part you have played personally in all these achievements, and we therefore feel a deep satisfaction in thanking you for having visited our land and inspired us by your eloquent message.

You may tell your people that we are determined to fight by their side to the end, until the triumph of right over might is secured. With you we pray God to bless our armed forces and to grant us promptly a decisive victory and a durable peace.

Hon. JAMES ALLISON GLEN (Speaker of the House of Commons): Mr. Prime Minister, to-day we welcome on the floor of the Canadian House of Commons one of the Prime Ministers of a great fraternity which we call the British Commonwealth of Nations, in the person of the Right Honourable Peter Fraser, Prime Minister of New Zealand.

The bearer of such a name is always assured of a welcome in Canada; for within our land we treasure the Fraser river—discovered probably by one of his ancestors, but certainly by one of the Clan—whose rugged shores and tumbling waters will remind our guest of the rivers and streams of his own native Ross-shire.

In the incidents of life the course of one's career is directed by powers beyond one's control; and you, Sir, might have become a citizen of Canada when you left your native land in 1910. But we do not begrudge your choice, for what we in Canada lost, New Zealand gained; and I think you will agree with me it is well that all countries should have a leaven of Scots in their midst. This little expression of insular pride will, I hope, be forgiven me. Speaking to a brother Scot, at our own fireside, I cannot refrain from a personal touch, and I am sure it will not destroy that self-effacing modesty so characteristic of our race.

Sir, it is one of the glories of the common heritage of New Zealand and Canada that in our House of Commons you can, in expressive language, voice with receptive understanding those ideas and principles which you set forth so clearly in London, the seat of the Commonwealth and Empire, during the recent Conference of the British Prime Ministers. Your position there, as here, and your qualities so universally recognized in New Zealand, have received the acclaim of the Empire, and Canada takes this opportune moment to congratulate you, and through you New Zealand, on the magnificent contribution which your men and women have made in this war.

We have not had that intimate association with your Army we would desire, but we do know of their exploits in every theatre of war, and it must never be forgotten that in that moment of extreme peril to our nations, when the daring and heroic adventure to save Greece was determined upon, New Zealand troops fired the first shot in the conflict—a glorious page in your country's history.

But if we know not your Army intimately, we do know your airmen. That they are typical of your countrymen we have no doubt; and I can say to you, Sir, with, I hope, convincing sincerity, that their conduct while in this country and their achievements overseas make us proud to call them kinsmen.

We are delighted to have you with us. We thank you for your address, and I wish you would convey to your country the assurance that Canada's door will always be on the latch to you and all your colleagues and citizens. I urge you, do not stay away too long. In the happier days which we now envisage as being so near, let us in Canada and you in New Zealand demonstrate to the world that "though mountains divide us, and the waste of seas," we are bound by ties which nothing can break.

The proceedings were concluded by the singing of God Save the King

THE SENATE

Tuesday, July 18, 1944.

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

Prayers and routine proceedings.

NEW SENATOR INTRODUCED

Hon. Jacob Nicol, K.C., of the electoral division of Bedford, Quebec, introduced by Hon. J. H. King and Hon. C. B. Howard.

WAR SERVICE ELECTORS AND PRISONERS OF WAR VOTING BILL

MESSAGE FROM THE HOUSE OF COMMONS

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons with Bill 135, an Act to provide regulations enabling Canadian war service electors to exercise their franchise, and Canadian prisoners of war to vote by proxy, at any general election held during the present war, also to provide amendments to the Dominion Elections Act, 1938, consequential to such regulations, or made necessary by the advent of the said war; and to acquaint the Senate that they have agreed to the amendments made by the Senate to the said Bill, with a consequential amendment to which they desire concurrence of the Senate.

When shall this consequential amendment be considered?

Hon. Mr. KING: Next sitting of the House.

SALARIES BILL

FIRST READING

A message was received from the House of Commons with Bill 160, an Act to amend the Salaries 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.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE BILL

FIRST READING

A message was received from the House of Commons with Bill 149, an Act to establish a Department of National Health and Welfare.

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.

CANADA-UNITED STATES OF AMERICA TAX CONVENTION BILL, 1944

FIRST READING

A message was received from the House of Commons with Bill 159, an Act respecting a certain Tax Convention between Canada and the United States of America, signed at Ottawa, in the Dominion of Canada, on the eighth day of June, 1944.

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.

AERONAUTICS BILL

FIRST READING

A message was received from the House of Commons with Bill 133, an Act to amend the Aeronautics Act.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall said Bill be read the second time?

Hon. Mr. KING: Next sitting.

TRANSPORT BILL

FIRST READING

A message was received from the House of Commons with Bill 101, an Act to amend the Transport Act, 1938.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall said Bill be read the second time?

Hon. Mr. KING: Next sitting.

VISIT OF GENERAL DE GAULLE

MOTION

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, on occasions like the visit to our capital of the Right Honourable Winston Churchill, Prime Minister of Great Britain, of President Roosevelt, and of other distinguished persons, it has been the practice to incorporate in the Official Report of Senate Debates the addresses then delivered. Last week an address was delivered on Parliament Hill by General Charles de Gaulle, and I would move that his address, and the others delivered on the same occasion, be included in an appendix to the Official Report of the Debates of the Senate, to form part of the permanent records of this House.

The Hon. the SPEAKER: Is it your pleasure, honourable senators, to adopt the motion?

The motion was agreed to.

CRIMINAL CODE AMENDMENT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 139, an Act to amend the Criminal Code.

He said: Honourable senators, I would move the second reading of this Bill, and in so doing would state that my honourable friend from Vancouver South (Hon. Mr. Farris) has been good enough to indicate that he will explain the purport of the amendments contained in the Bill.

Hon. J. W. de B. FARRIS: Honourable senators, not much is needed in the way of explanation of this Bill. The first two sections change the penalties provided in sections 364 and 365 of the Criminal Code. The offence dealt with in section 364 is the theft of a post letter bag or a post letter or any chattel, money or valuable security from a post letter, and the maximum penalty is life imprisonment. No change is made in that. But the section as it now stands provides for a minimum penalty of three years imprisonment. The Minister of Justice has suggested that this should be changed because it has been found difficult to obtain convictions. I should rather put it on the broader ground that in matters of that kind the discretion as to a minimum sentence should be left with the trial judge, who is familiar with all the circumstances, and the fact that juries or even judges have hesitated to convict with that minimum penalty in the section is merely an indication of the reason why the trial judge should have the discretion as to the minimum sentence.

There is a similar reason for the amendment to section 365. The maximum penalty provided there is seven years, with a minimum of three years. The amendment would simply eliminate that minimum penalty and leave it to the discretion of the trial judge.

The third section of the Bill increases certain penalties provided for in section 436 of the Code, which deals with a matter that to-day is of very great import. The section as amended would read:

> Every person is guilty of an indictable offence and liable to imprisonment for seven years, or to a fine not exceeding fifty thousand dollars, or to both imprisonment and fine who knowingly sells or delivers, or causes to be sold or delivered, to His Majesty or to any officer or servant of His Majesty, any defective naval, military, air or militia stores of any kind or description. . . .

Up to the present time the maximum penalty for that very serious offence has been only two years imprisonment and a fine of $5,000. Sometimes, in profiteering offences of the kind dealt with in that section, the most effective penalty is one that will hit the guilty person in his pocket.

As to the object of the last section of the Bill I shall have to refer to the remarks made by the Minister of Justice, for I am not familiar with the facts. Heretofore appeals from summary convictions in the province of Quebec have been taken to the Court of King's Bench, and the Minister of Justice said it has been found that in certain parts of the province there have been long periods of time when this court held no sittings. It is therefore suggested that the jurisdiction for the hearing of appeals be transferred to the Superior Court. I understand this amendment meets the wishes of the legal profession and of others interested. The Department of Justice has suggested an amendment which would qualify this last section, and I believe the honourable leader (Hon. Mr. King) intends to move, after

second reading, that the Bill be referred to an appropriate committee, where the amendment can be considered.

Hon. Mr. LEGER: Honourable senators, it occurs to me that the new money penalty in section 436 is not proportionate to the imprisonment penalty. Up to this time the maximum imprisonment penalty has been two years, which the amendment raises to seven years, but the maximum money penalty of $5,000 is to be raised to $50,000. There does not seem to be any proportion between the two.

It also occurs to me that as a rule the increasing of a penalty does not deter people from crime. I think in nearly all cases those who commit crimes know nothing about the penalty they may incur.

Hon. Mr. FARRIS: I would point out to my honourable friend that the minimum penalty has not been increased.

Hon. Mr. LEGER: What I am coming to is simply this, that if a penalty is made too high it defeats its own object. From his experience as a lawyer my honourable friend knows very well that if a person appears before a jury charged with a crime for which the penalty is high, the jury will usually, if at all possible, bring in a verdict of acquittal. My experience is that it is much more difficult to get a conviction for offences punishable by high penalties than in cases where possible penalties are less severe. I should have much preferred to leave the section as it is now; but if the Department of Justice thinks it is necessary to increase the penalties to the degree provided for by this Bill, I have no objection.

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.

CANADIAN HISTORY—UNIFORM TEXT-BOOK

DEBATE CONTINUED

The Senate resumed from Thursday, June 29, the adjourned debate on the motion of Hon. Mr. David:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians, as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments in all schools under their direct or indirect jurisdiction or control.

Hon. ARTHUR MARCOTTE: Honourable senators, there is no doubt that when the honourable senator for Sorel (Hon. Mr. David) presented his resolution for our consideration, he expected both praise and criticism, but there is also no doubt that he did not expect the sensational development and furore which the discussion has created outside of this Chamber.

We are living in difficult days. Passions are aroused. What should have been a strictly academic and normal discussion of an important matter has become the basis of heated arguments. Politics, and politics of a very base and degrading nature, have become mixed with this question of history teaching, so much so that to-day it is difficult to discuss this resolution in a manner that will not start bitter controversies. The present election campaign in the province of Quebec makes it all the more necessary to take care not to add fuel to the fires now burning.

Honourable senators, I shall try to give you some arguments in favour of the resolution, but as they will be based on statements made in the past you will know that these arguments are not born of the present discussion.

The resolution is based on two facts acceptable and accepted by all: the need of unity in our country, and the teaching of history as one fundamental of patriotism in any country. Then comes the expression of a wish for the preparation of a text-book of Canadian history acceptable in every school in the country.

Do we need unity in Canada? The answer from every citizen is an emphatic "Yes." There is no need to prove the fact. Is history one of the fundamentals of patriotism—another word for unity—in any country? That it is a fundamental is also a fact admitted by every one, with one proviso, and one proviso only: that history shall be true and impartial. There should, then, be no quarrel on the two bases of the resolution.

What about the expressed wish that there should be a Canadian history text-book acceptable in every school in Canada? Is its realization possible? If possible, is it advisable? If advisable, is it necessary and should it be brought about? It seems to me that any and all of these elements can be discussed without prejudice and without creating animosity.

First of all, what is history? The definition in the French dictionary by Larousse, a world authority, is as follows:

> Recital of actions, facts, events, worthy of memory chronologically co-ordinated.

According to the school of scientific historians, history is "an impartial reconstruction of the past, based on documents, that is to say, on the definite evidence of the thoughts and deeds of those who preceded us."

Larousse proceeds further:

> The essential weapon of the historical method is analysis; each document must be analyzed to fix its place in the synthesis where history is leading to.

Because of the fact that history is a science, the historian cannot succeed in his study except on the condition that he be free from any preconceived idea or parti-pris. Hence the difficulty of contemporary history: firstly, on the point of sources, as some of them escape our knowledge; secondly, on account of our criticism, which our political passion prevents from being impartial.

History has to be impartial. On this point, I wish to cite from an open letter written by Mr. Emile Vaillancourt, of Montreal, a well-known writer on Canadian history. You may not agree with everything published by him, but you have to give him credit for his sincerity and honesty of purpose. As to the necessity that history be impartial, Mr. Vaillancourt writes:

> On this point, two major principles were laid down by the late Pope Leo XIII: the first law of history is to tell no lie; the second, to say the whole truth without any fear whatsoever.

Mr. Vaillancourt continues:

> About the same time the eminent Pontiff wrote to a well-known English Benedictine monk, Cardinal Gasquet: "Publish of the Vatican Archives anything of historical interest, no matter whether it casts credit or discredit on the Church authorities."

We need facts, not lies; we need the whole truth. Who can reasonably object to this statement?

Since there is such controversy there must be some other source of trouble. This trouble arises from our confusing history with the philosophy of history. Before I discuss this point I wish to cite a lesson from one of the great philosophers of the past. I refer to that wise man of China, Confucius, who lived hundreds of years before Christian times. This was the formula he preached to his disciples:

> In foregone years the princes, in order to bring out the natural virtues in the hearts of all men, applied themselves to well govern their principalities. To do that they first secured good order in their families. To secure that good order they strove to regulate the emotions of their hearts. By so regulating their emotions they perfected their will. By perfecting their will they were developing their knowledge. Knowledge is developed by a scrutiny of the value of things. Once this scrutiny is made, knowledge reaches its highest degree. Then the will is perfect, the emotions are well controlled, and man becomes perfect. After correcting one's self one corrects his family. So good order reigning in the family, the principalities are well governed and the country enjoys peace.

This formula is twenty-five centuries old, and a better one has yet to be found. To relate facts, events, lives of men, their deeds—that is history. To scrutinize things, events, the lives of men, their deeds, to find the causes and to fix the results—that is the philosophy of history.

History can be made true, impartial; but philosophy of history is not only of the greatest difficulty but also of the highest importance. Let me illustrate this by just one fact. Canada became an English possession in 1763. No one will question that fact. But then comes the philosophy of that historic fact. In his address to the Canadian Club, in the city of Quebec in 1877, Sir Wilfrid Laurier, commenting on that fact, said:

> Actually we French Canadians are a conquered race. It is a truth sad to state, but, after all, it is the truth.

I disagree and say that though our country was conquered, we were not conquered as a race, because we were guaranteed all the characteristics of our race. For my further reasons for that difference of opinion I would refer honourable members to my address in this Chamber on the 25th of March, 1942.

His Grace Monseigneur Plessis, Bishop of Quebec, while he was still Reverend Abbé Plessis, wrote that the passing of Canada from French rule to English domination had been a blessing, a providential act. You have only to read what Canon Lionel Groulx writes on the same subject to find that these two priests do not agree on the point. The writings of Abbé Maheux and Canon Groulx disclose similar differences in their philosophy of these historic facts.

These differences of interpretation are not peculiar to Canadian historians. Take, for instance, the Norman conquest of England. You have only to read the work of Thierry, a great French historian, or of Palgrave, a noted English historian, or of Freeman, another eminent British historian, to find proof of my statement. The three of them, writing on the same facts, are far from being in agreement, and yet they are recognized as honest historians.

I could cite fact after fact in our history in regard to which similar differences of opinion would be found. But I am just confining myself to this one main fact in order to make my point that the greatest difficulty lies in commenting on a given historical fact.

The honourable mover of this resolution has in some quarters been severely criticized for expressing his wish for a uniform text book of Canadian history. Is this wish so very new? In his letter, Mr. Vaillancourt writes that on the 25th of May, 1938, while addressing the Montreal Rotary Club members at the Windsor Hotel, he said:

Do you not think it is about time to educate our children properly, and maybe their parents, in Canadian History, and that the Federal Parliament, if it sincerely desires to create Canadian unity, might name a committee of competent historians of both languages, entrusted with the duty of writing and publishing an authentic history of Canada, acceptable to both races?

He added:

Not long before his death Lord Tweedsmuir was having luncheon at my home in Outremont. I asked him what book he had in preparation? "A History of Canada acceptable to both races," was his answer.

In November, 1940, when addressing the members of Le Club Canadien, in Montreal, I said:

My sojourn of many years among an English population, and the struggles in which I have participated to help and preserve for our French Canadians the use of our language, have caused me to take a deep interest in the intellectual, moral and, in the wide sense of the word, political development of French-Canadian youth of the Province of Quebec. I have told you before and I repeat it now: What you are learning here, what you do, say, write, even what you think, are of interest to us French Canadians outside of Quebec, because we thrive on it, and sometimes—shall I say?—we suffer from it."

* * * *

The direction given to our young people must be towards wider horizons. The comprehension of a Canadian nationality must not be, for our people, confined within the limits of the Province of Quebec. Will it always be necessary for His Eminence the Cardinal to go to the province of New Brunswick, for example, to give assurance that the province of Quebec does not wish separation from the rest of Canada?

* * * *

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 British regime that conquered peoples may not only aspire to liberty but also 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—a race which in these terrible days gives an example of heroism comparable to anything known in history.

I also remarked in this Chamber in 1942 and I repeat it now in reference to statements by certain persons that this is England's war and is none of our business:

I always hear that statement with sorrow and pity: with sorrow because it proves the ignorance of those 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.

You should not be surprised, honourable senators, if a large part of our population ignores what happened in Canada under the French Regime. Immigration in the last sixty years has brought into our country hundreds of thousands of people who had passed school age and had neither the time nor the inclination to study the past of Canada. Coming to a British country where the majority were English, they could not understand why French-Canadians were enjoying special rights.

But it is different with the young generation of to-day and of to-morrow. Not only is it the duty of our young people to attend school and learn the history of Canada as part of their education, but it is also their right to be taught true and impartial history. Who need fear the truth about the discovery, the pioneering and the development of Canada? Certainly not French-Canadians. We French-Canadians have the right to be proud of the deeds of our forefathers, before Canada became an English possession. Pioneers they were; discoverers they were; good soldiers they were; missionaries and martyrs they were. After Canada came under English rule they proved themselves, under the guidance of their religious and civil leaders, to be good citizens, faithful to their oath of allegiance. They proved it with their deeds; they signed it with their blood. They helped to save Canada for England when it was necessary to do so. Then why the fear of true and impartial history? The trouble is not about the facts, but about the interpretation of these facts, their causes and their results.

Is it possible to have such a book as outlined in the resolution? Certainly, if you stick to the truth, the whole truth, without fear. The resolution does not encroach on the constitutional rights of the provinces in matters of education. In very plain terms it says that the delegates representing the nine provinces may be pleased to appoint a committee. Then the provinces may agree on that just the same as they have the right to agree on any other matters under their jurisdiction. If there is no agreement, nothing will be done. If there is an agreement to appoint the proposed committee and the work is done but the book is not agreeable to any one of the provinces, nothing will come out of it. Therefore I fail to see any objection to such a study.

But, as I have stated before, no matter if such a text-book be written and used, there will always remain what is yet more

important; the interpretation of the facts, the events, the lives of men, their deeds, their thoughts, their projects. It becomes a matter of impartiality not only in the relation of facts, but in the philosophy of those facts. It becomes a matter of good will, of good faith. It is then a matter of education, of proper guidance, to secure unity in our country, to create a sound Canadian patriotism.

In a previous address in this Chamber, I said that to me it appeared as a miracle that France would be saved by the sacrifices, the toil, the courage and the perseverance of her enemy of centuries—England. True, not of England alone, as all the Allied Nations are joining in the common effort to-day. But we must remember that in June, 1940, England alone, with the Dominions and colonies, under the inspiration of the indomitable Churchhill, stood to fight to the death a conquering Germany. And I hope that before many months the same Churchill who went to Bordeaux in 1940 to urge France to stand up, but was rebuffed by certain politicians. will be able to return to Paris with de Gaulle at his side—the man we saluted here a few days ago—the French General who did not quit, who said that France had lost the battle but not the war, and in his own inimitable words will tell France: "I have kept my pledge. I bring you liberty. France is again a free nation, free to take her rightful place beside the great nations of the world; free to co-operate not only to win the war but to win also a lasting peace for the world."

Honourable senators, when I read the history of Canada's two mother countries England and France, fighting all over the world against each other for centuries, while discovering, pioneering, developing new worlds to bring them civilization and Christianity, and then see them united in a joint effort to save to the world that same civilization, that same Christianity, and this for the second time in a quarter of a century, I wonder why the sons and descendents of these two great peoples in Canada cannot be more united. Surely there have been in the past, as there are in present times, enough heroic deeds by these two nations to make their sons proud of their ancestry.

When to-day history is written on that same soil of France by our own Canadian soldiers, English and French speaking; written in their blood, when they fight and die side by side for a common cause dear to every one of us, the lesson should be learned by all here.

On the 24th of June last, on Sherbrooke street, Montreal, a long parade of thousands of French Canadians, with allegorical chariots, took place in celebration of Saint Jean Baptiste day. On the same evening you could hear on the radio, from a small village in Normandy, the words of a French priest speaking to French-Canadian soldiers. With tears in his voice and gratitude in his heart, he thanked them for coming to the rescue of the old mother country. It was Saint Jean Baptiste day there also. Again thousands of French-Canadians were present, and the chariots were jeeps, tanks, self-propelled guns, planes—all of Canadian make—brought there to free France. I wonder, honourable senators, which of the two celebrations went further toward bringing harmony here. Is this not enough to counteract certain elucubrations, certain movements by irresponsible youths, which, if they are not to be feared perhaps, are certainly to be deeply deplored?

Last week, on the 14th of July, the Bastille day—a memorable day in France—was celebrated at the village of Thaon in Normandy. I cite in part a wireless dispatch from L. S. B. Shapiro, the correspondent of the Montreal *Gazette*. It is as follows:

> Facing the curé, were Thaon's children, many of them five and six years of age, wearing their Sunday best and wide-eyed with curiosity. Behind the children stood Canadian and French soldiers.
>
> The priest said in part: "Frenchmen, do you understand your privileges? Do you realize you are free men once more? It is four years since you saw the flag, four long harrowing years. You see it now, fluttering in the wind beneath the open sky."
>
> His voice softened as he turned to the children. "Look at your flag," he implored them. "Look at it and know it. Many of you children have never seen it flying free in the wind. Look at it now: its blue for courage; its white for the purity of the cause of liberty; its red for the blood of our soldiers and our martyrs. Look at it, my children; look at it and revel in its glory. Yes, my children, you may look at it.
>
> You are free at last, dear parishioners and my children. I beg of you to lift your hearts and revive your faith in liberty, in equality, in fraternity."

Centuries ago, a legion of Norman soldiers left the shores of France, invaded England, conquered it, and remained there, to mix with their enemies of earlier days and make together the great English people of the present. To-day you see English soldiers, together with the descendants of French people, invading Normandy, to free not only France but the world from the shackles of moral and physical slavery. Should that lesson go for naught?

Should we, far removed from supreme sacrifice, continue to quarrel, sometimes not knowing why? I cannot believe that to be so.

Let us follow the precepts of the old Chinese philosopher. Let us scrutinize things, events, men, their deeds, their thoughts; let us control the emotions of our hearts; let us perfect our will, shed our prejudices, correct defects and remedy injustices, if there are any. Let us prepare the history of the future by working in a common effort to make of Canada what it is predestined to be—a land of liberty, a land of peace.

On motion of Hon. Sir Thomas Chapais, the debate was adjourned.

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

APPENDIX

GENERAL CHARLES DE GAULLE

ADDRESS TO MEMBERS OF THE SENATE AND OF THE HOUSE OF COMMONS AND THE GENERAL PUBLIC, ON PARLIAMENT HILL, OTTAWA, JULY 11, 1944.

The welcome to General de Gaulle was tendered, in English, by the Right Honourable W. L. Mackenzie King, Prime Minister of Canada, and, in French, by the Honourable Louis S. St. Laurent, Minister of Justice.

Right Hon. W. L. MACKENZIE KING (Prime Minister of Canada): Your Excellency, Your Royal Highness, ladies and gentlemen: We are met this morning to extend to General Charles de Gaulle a hearty welcome to Canada.

To you, General de Gaulle, as a French soldier, as a leader in the fight for world freedom, and as representing the unconquerable spirit of France, I am proud to offer this welcome in the name of the Government and the people of Canada.

Here, in the presence of the representative of the Crown, are assembled before you the representatives in Parliament of the Canadian people. Here also are assembled residents of our capital city. All are proud to honour the man who in the darkest days of this war rallied the forces of Free France, and who to-day is the symbol of the determination of the French nation to restore its freedom and greatness.

In welcoming General de Gaulle to our country, I can speak for the whole of Canada. In no country has the sympathy for France in her agony been deeper than in our own; in none have the prayers for her liberation been more fervent; in none has the growth of French resistance been watched with greater pride and admiration.

For the visit to Canada of General de Gaulle, the hour could not have been more happily chosen. At this moment French and Canadian soldiers are fighting side by side in Italy. On the battle-fields of Normandy, Canadian fighting men form part of the great allied striking force. Amidst these scenes of conflict and triumph there has been a proud renewal of the historic association between the people of France and Canada.

General de Gaulle comes to us fresh from his visit to Normandy. What emotion he must have felt as he set foot once more on the soil of France! What a thrill of pride was felt in many Canadian homes when we learned that the first troops he met in Normandy were men of Canada's army! It was from Normandy that the first Canadians came to make a new home and found a new nation in the new world. We rejoice that Canada's fighting men are helping to-day to free the ancestral home of so many of our people.

France is not only the ancestral home of many Canadians; in France are many shrines sacred to all Canadians. The Somme, Arras, Cambrai, Vimy, and a host of scenes of battle a generation ago, are names that will live forever in our history. In fighting for the liberation of France, Canada is fighting for what is truly a part of herself.

Within France a living spirit of resistance has revealed itself in countless acts of heroism and sacrifice. Behind the enemy's lines the French resistance has been undermining German power. Since the landings in Normandy underground forces have been quick to strike. On all sides there is evidence that in the hearts of the French people there still burns an unquenchable fire of "liberty, equality and fraternity" which no dishonourable betrayal within, or fiendish tortures from without, have been able to extinguish.

In the revival of French military power, inside and outside France, General de Gaulle's role has been of incomparable importance.

In these years of war we in Canada have sought to do our part to keep alive the flame of French civilization. We have continued to

cherish our admiration for France and all she has meant to freedom. We have never lost our faith that the greatness of France would be restored. The people of Canada are proud to have their part in the memorable events in which the liberation of France is being accomplished.

In thanking you for your visit and in wishing you all that is best in your valorous leadership, I ask you, General de Gaulle, to take back with you an assurance from the Canadian people to the people of France. Tell them that all Canada is united in support of the determination of the Allied nations to drive the enemy from the soil of France. Tell them we are not less united in the determination to destroy the power of Germany to terrorize Europe, and to end, once and for all, Germany's capacity to disturb the peace of the world. Tell them that we are with them heart and soul in these days of suffering and sacrifice; and tell them to fight on, for we are confident the day is drawing near when we shall be sharing with them their joys and triumphs in the supreme hour of victory.

Hon. LOUIS S. ST-LAURENT (Minister of Justice) (Translation): Your Excellency, Your Royal Highness, ladies and gentlemen: We are met this morning to extend to General Charles de Gaule a hearty welcome to Canada. I am proud to associate myself with the right honourable Prime Minister to extend to you, General de Gaulle, a hearty welcome in the name of the government and people of Canada. We welcome in you the great Frenchman who defends his country, a leader in the fight for world freedom, and a representative of the unconquerable spirit of France.

Here, in the presence of the representative of the crown, are assembled before you the representatives in parliament of the Canadian people. Here also are assembled residents of our capital city. All are proud to honour the man who in the darkest days of this war rallied the forces of Free France, and who to-day is the symbol of the determination of the French nation to restore its freedom and greatness.

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In the revival of French military power, inside and outside France, General de Gaulle's role has been of incomparable importance.

In these years of war, we in Canada have sought to do our part to keep alive the flame of French civilization. We have continued to cherish our admiration for France and all she has meant to freedom. We have never lost our faith that the greatness of France would be restored. The people of Canada are proud to have their part in the memorable events in which the liberation of France is being accomplished.

In thanking you for your visit and in wishing you all that is best in your valorius leadership, I ask you, General de Gaulle, to take back with you an assurance from the Canadian people to the people of France. Tell them that all Canada is united in support of the determination of the allied nations to drive the enemy from the soil of France. Tell them we are not less united in the determination to destroy the power of Germany to terrorize Europe, and to end, once and for all, Ger-

many's capacity to disturb the peace of the world. Tell them that we are with them heart and soul in these days of suffering and sacrifice; but tell them to fight on, for we are confidant the day is drawing near when we shall be sharing with them the joys and triumphs in the supreme hour of victory.

(Translation):

General de GAULLE: The moving welcome that you have accorded me seems to come from a double inspiration. No doubt you wish first of all to testify to the comforting solidarity which unites in the world, across frontiers, oceans and continents, the men who fight together for liberty. No doubt you have also judged it well to show here that France has not been, is not and never will be forgotten. Well, gentlemen, I wish to say for France, that Canada is a dearer friend than ever.

Certainly the past accounts for a great part of this unusual sympathy. On the one hand your people, who have never been opposed to ours in any historical event, whose men have always opened their minds and their hearts to the ideas and sentiments which have elevated the French spirit, and in the veins of many of whom flows blood which has come from France: on the other hand my country, which remembers having been the first to carry Christian and European civilization to this immense land; my country, which has never ceased to follow and admire the magnificent efforts of your ancestors and of your kinsmen in their struggle to bring about prosperity through the development of the natural resources of the country and to develop the minds of the people intellectually, spiritually and morally in order to create a state of full consciousness of its own valour and in loyalty to the Commonwealth of which it is a part! Your people and my country! May powerful bonds link them throughout time.

Nothing seemed more natural to old France than to see Canadian soldiers struggling on her soil for the same cause in the preceding world war and to bury reverently in her soil those whose heroic memory is symbolized by Vimy.

And let me say here that nothing has seemed more moving to the man who has the honour to speak to you than to have seen the Canadian Corps engaged on the banks of the Liri River in Italy recently side by side with the French army, and to find first upon the beaches of Normandy, where they took a foothold at the beginning of the great battle, a fine and brave Canadian regiment.

(Text):

But, ladies and gentlemen, if the past holds so many special reasons why France and Canada should understand one another, I may say confidently that the present has added a great many more! It is in a time of crisis that friendship proves itself. Well, during these difficult years France has passed through many trying days. Submerged by the enemy, stunned by the disaster, betrayed or deceived by those who, having seized the State, did not use either their power or their reputation except to plunge it and maintain it in shame of debasement, France might for a short time have presented to malevolent or superficial observers the appearance of one of those falls from which a nation does not rise when she has accepted it. But others, better informed because they were more favourable, quickly realized that my country, in the depths of its misery, refused to give up. These understood very soon that the determination, the hope, the spirit of the French people remained fimly at the side of those who refused to lower the flag, and who at all costs intended to maintain their country in the camp of liberty.

I shall not try to describe what such an enterprise has cost in effort, losses, often bitter disappointments, for the French who in every domain, whether it be in the interior of France or outside the country, have carried on this fierce struggle for independence and for national unity.

But it is my duty to say what comfort and support they have found in Canada, in its Government and in its people. The French aviators whom you have trained here; the French forces whom you have helped to arm; the French prisoners whom you have fed and clothed; above all, perhaps, the innumerable French who, in their suffering and their fight, heard the echo of Canadian sympathy, are a witness to this fact.

(Translation):

To-day France is standing upright and united. If the living friendship which she has found everywhere in Canada has contributed to sustain and lift my country during her trials and thus has materially and morally strengthened the coalition of free peoples against their bitter enemies, to-day it becomes a very important factor in the task of reorganizing the world which will come out of this terrible war. At present, victory flushes the horizon. We feel in the hearts of the peoples who have united to assure the triumph of right and liberty, a tremendous aspiration towards a better future. For, if so many men and women in a free world have voluntarily

suffered, fought, worked, if so many good and brave soldiers have died without a murmur, if so many towns and villages have offered themselves up in sacrifice for our common salvation; it would not be tolerable, it would not even be possible, that from so much death, sacrifice and ruin a greater and better humanity should not emerge.

But, in a world where all intercourse has unceasingly tightened the interdependence of nations and at the same time that of individuals, how is it possible to conceive human progress if not within a system of real international co-operation? For the same reasons that a single war, common to all, covers the whole of our earth, which has become so small, the peace we make must be a single peace, common to all. For the same reasons that what is thought, produced, manufactured anywhere in the world has inevitable consequences upon the destiny of the most obscure combatant, to-morrow the condition of man in the world, whatever his race, country or activity, will depend in some measure upon what will be achieved anywhere in political, economic, social spiritual, intellectual and moral spheres. In other words, it is impossible to imagine either assured security or solid and lasting progress for any nation or any individual unless all nations among themselves, or within each nation all citizens among themselves, are willing to consent to work together in normal brotherhood.

France, emerging step by step from her temporary misfortunes, France, enlightened by her suffering, France, intending no longer to divide, but to unite her passion for progress and traditional wisdom, states herself ready to play her full part in this universal task. She is certain to find at her side and in agreement with her all the peoples who know her well—and first among them she will find Canada.

THE SENATE

Wednesday, July 19, 1944.

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

Prayers and routine proceedings.

WAR SERVICE ELECTORS AND PRISONERS OF WAR VOTING BILL

CONCURRENCE IN COMMONS AMENDMENTS

The Senate proceeded to consideration of the amendment made by the House of Commons to Bill 135, an Act to provide regulations enabling Canadian war service electors to exercise their franchise, and Canadian prisoners of war to vote by proxy, at any general election held during the present war, also to provide amendments to the Dominion Elections Act, 1938, consequential to such regulations, or made necessary by the advent of the said war.

Hon. J. H. KING: Honourable senators, it will be recalled that when this Bill came before us some three weeks ago it was stated that many honourable members had received protests from certain important organizations throughout Canada calling attention to section 5 of the Bill. This section, as originally drafted, made it possible for provincial legislatures to amend their provincial Elections Acts in such a way as to debar nationals of enemy countries from voting in the forthcoming wartime election. We all realized the improbability of such action being taken by a provincial government, but the Senate—quite properly, it seems to me—made an amendment that rendered any such action impossible. We also made an amendment by which section 5 was brought under the provisions of section 11, which confines the application of the sections therein mentioned to general elections held in Canada during the present war or within a period of six months. The House of Commons has accepted those amendments.

Under section 5 as originally drawn the intention was, as is clearly set out in the explanatory note, to bar certain people of Japanese nationality from voting in the wartime election. After some discussion the Senate continued the disqualification. The House of Commons amendment in which we are now asked to concur modifies this somewhat, and provides that Japanese who, previous to the Pearl Harbor incident, were resident in provinces other than British Columbia shall continue to exercise their right of franchise.

Hon. Mr. LEGER: Was that not so under our amendment?

Hon. Mr. KING: Our amendment covered all Japanese in Canada.

Hon. Mr. LEGER: Our amendment disqualified Japanese people in provinces that had a law disqualifying them from voting in provincial elections. The only province having such a law was British Columbia. Therefore under our amendment these people would have the right to vote in other provinces.

Hon. Mr. MURDOCK: Oh, no.

Hon. Mr. KING: I think that is probably the thought of many, but it is not correct; and the House of Commons has modified our

amendment to enable these people who were living outside of British Columbia prior to the declaration of war with Japan to retain the franchise rights they had previously exercised. With that I am in hearty accord. I do not think it was our desire to affect some 400 or 500 Japanese who were resident in other provinces; and that, I believe, is all who were or will be qualified to vote. The House of Commons amendment will continue to bar people of Japanese nationality who were resident in British Columbia at the time of Pearl Harbor, and who, for security reasons and as a war measure, were removed from what are known as prohibited areas in that province to other localities. Those prohibited areas extend from the coast to the interior of the province. The great works of the Consolidated Mining Company, for instance, and the big dams of the Kootenay river, are within the prohibited areas. Japanese residents who, under government supervision, were allowed to migrate in groups to other provinces, where they are to-day residing, will be debarred from voting in the coming wartime election.

I hope I have made myself clear as to the amendment made in this Chamber and the amendment that has come to us from the House of Commons, with a request for concurrence. As I stated when the Bill first came under our consideration, this measure primarily concerns the elective members of Parliament. They have had an opportunity of reconsidering their original draft of Section 5; they have seen fit to send the Bill back to us with the amendment I have indicated; and I have much pleasure in moving concurrence in that amendment.

Hon. Mr. ASELTINE: How does the amendment read?

Hon. Mr. LEGER: Honourable senators,—

Hon. Mr. KING: I will ask my honourable friend from Vancouver South (Hon. Mr. Farris) if he would kindly read and explain the amendment as it stands now. But perhaps my honourable friend from L'Acadie (Hon. Mr. Leger) would wish to speak first.

Hon. Mr. LEGER: Honourable senators, I have no objection to the amendment that has come from the other House; but, with all due deference, I must say that it simply adds words to the section as amended by the Senate and makes absolutely no change in the effect of our amendment. Section 5 as amended by the Senate disqualified persons of the Japanese race from exercising the federal franchise in British Columbia, because that province had passed an Act prohibiting such persons from voting in provincial elections. No other province had disqualified Japanese people from voting in provincial elections, and therefore, under the existing law, all Japanese living in every province except British Columbia have the right to vote in federal elections. I repeat that the House of Commons amendment makes no change in the effect of the section as amended here. So, as I see it, there is no objection to the amendment.

Hon. J. W. de B. FARRIS: Honourable senators, I cannot agree entirely with my honourable friend who has just spoken. I hope this is our last go at this matter, and at the risk of repetition perhaps I may explain the three steps that have been taken with regard to the Bill. The honourable leader (Hon. Mr. King) has already done so, but apparently he has not convinced my honourable friend from L'Acadie (Hon. Mr. Leger). The original Bill as brought down in the Commons provided, in section 5, paragraph (n), that no person belonging to a race which was at war with Canada could vote in a Dominion election if at the time of the election he was precluded by provincial law from voting in any province.

Hon. Mr. LEGER: That is how the section stood when the Bill first came to the Senate.

Hon. Mr. FARRIS: Yes. Serious objection was taken to that section in the Senate, and I think also in the House of Commons, when honourable members of that House appreciated the scope of the new paragraph (n). My honourable friend from L'Acadie made one of the most effective arguments against the paragraph when he pointed out that if any one province—for instance, Prince Edward Island —saw fit to disqualify the persons of any race from voting in a provincial election, all persons of that race living in Canada would be disqualified from voting in federal elections. It was never intended that the new paragraph should have that effect, and so in this House we amended it to provide that in the next federal election every person whose racial origin is that of a country at war with Canada shall be disqualified from voting, if persons of that race were disqualified from voting in any provincial election.

Hon. Mr. LEGER: At the time of the passing of this Act.

Hon. Mr. FARRIS: That was a roundabout way of saying that no Japanese shall vote in Canada at the next election, for they were the only people whose disqualification came within the terms of our amendment. But I would point out to my honourable friend that that amendment disqualified any Japanese from voting in any part of Canada,

although the disqualification in the British Columbia Act related only to Japanese in that province.

The purport of the House of Commons amendment is not entirely clear at first, but becomes so after study. It is this: Any Japanese who were living in British Columbia and disqualified by the existing law in that province shall be disqualified from voting in any part of Canada at the next election; but any Japanese who lived in any other province prior to the war shall not be disqualified. That is the distinction. The House of Commons amendment limits the disqualifications entirely to those who heretofore were living in British Columbia. The Senate amendment affected not only those Japanese, but the Japanese in every province, regardless of where they lived before the war.

Now, honourable senators, having made that distinction, may I say a word in support of the House of Commons amendment? Since I come from British Columbia, and particularly in view of the remarks made by my honourable friend from Parkdale (Hon. Mr. Murdock) on the last discussion of the Bill, one might well be surprised to hear me supporting this amendment. But the amendment declares a principle, at least by implication if not by express language, which we in British Columbia are in favour of. It is a reaffirmation by Parliament that each province shall have the right to determine the voting qualifications of the citizens within that province, and that this right shall not be interfered with by the laws of any other province. That, to-day, in the declaration of the House of Commons, means that Japs who before the war lived in Alberta, for instance, shall not be affected by any law now existing in British Columbia. But that same principle, applied to-morrow, may mean that British Columbia shall have the right to say to the Parliament of Canada: "No other province or group of provinces shall dictate to us in the matter of whether the Japanese are to be given the vote in British Columbia." That is a principle which we in British Columbia regard as of great importance.

Hon. Mr. CALDER: That is for provincial purposes.

Hon. Mr. FARRIS: No, not only for provincial purposes, but for federal purposes as well. My honourable friend the acting leader opposite (Hon. Mr. Haig) expressed that principle clearly in the last debate, when he said—I think I am expressing the idea he then expressed, for though I have not read his speech, I listened to it carefully—when he said it was a sound principle that the citizens of each province of Canada, best knowing the conditions within the provincial boundaries, should determine the qualifications in the province for voting on matters of special local import, either federally or provincially.

An Hon. SENATOR: No, no.

Hon. Mr. EULER: It is wrong, anyway.

An Hon. SENATOR: That is right.

Hon. Mr. FARRIS: Of course it is right. It is right, as stated by my honourable friend opposite, and I think it is a sound principle. The objection urged in this House on the last discussion was that no province should have the right to dictate with respect to the franchise in any other province. With that principle I absolutely agree. But when it comes to the question of who shall vote in any province, then unless the provincial legislature has departed from fundamental principles and has by its conduct indicated that the judgment it is exercising is not in accordance with democratic principles such as the rest of Canada can accept, it is sound doctrine that the Dominion as a whole should recognize the right of each province to declare the qualifications constituting the right of voting within that province.

Hon. Mr. DUFF: We might have nine different qualifications in the nine provinces.

Hon. Mr. FARRIS: That is what we have to-day and always have had in the Dominion.

Hon. Mr. EULER: That does not make it right.

Hon. Mr. FARRIS: Oh, yes, it does. Let me call my honourable friend's attention to the Dominion Elections Act.

Hon. Mrs. WILSON: May I ask a question?

Hon. Mr. FARRIS: Certainly.

Hon. Mrs. WILSON: What about women in the province of Quebec?

Hon. Mr. HUGESSEN: For twenty-five years they have voted in federal elections.

Hon. Mr. FARRIS: That may be; but I say the Dominion has recognized the principle of leaving certain voting qualifications to the province. It may well be that the Dominion will say: "So far as women are concerned, we do not recognize it as being a proper distinction that they shall be disqualified. It is not a matter local or peculiar to any one province." But let me call my honourable friend's attention to the Dominion Statutes of 1938, chapter 46, section 14, subsection 2:

The following persons are disqualified from voting at an election and incapable of being registered as electors and shall not vote nor be so registered, that is to say—

(i) every person who is disqualified by reason of race from voting at an election of a member of the Legislative Assembly of the province in which he or she resides—

There is one qualification in that respect. It is not important for the purposes of my argument, but it is important for other reasons. This is the qualification:

—and who did not serve in the military, naval, or air forces of Canada in the war of 1914-1918.

Let me read the paragraph again:

Every person who is disqualified by reason of race from voting at an election of a member of the Legislative Assembly of the province in which he or she resides—

is by this Act disqualified from voting in federal elections.

Hon. Mr. MURDOCK: In that province.

Hon. Mr. FARRIS: In that province. I am glad my honourable friend emphasizes that. I am an advocate of the restriction of that principle to the province, honourable senators, and that is the reason why I am supporting this amendment.

Paragraph (j) reads:

In any province, every person exempted or entitled to claim exemption or who on production of any certificate might have become or would now be entitled to claim exemption from military service by reason of the Order in Council of December sixth, 1898, because the doctrines of his religion make him averse to bearing arms, and who is by the law of that province disqualified from voting at an election of a member of the legislative assembly of that province.

As was said by my honourable friend from Winnipeg (Hon. Mr. Haig), for many years that has been the recognized principle in Dominion Statutes in regard to qualifications for voting in federal elections; and, I repeat, I am in favour of this provision because it is a continued recognition of that principle.

Hon. Mr. BENCH: Will the honourable senator permit a question? What he has just been saying relates, I understand, only to the matter of disqualification. Do I understand him to say also that he would be in favour of permitting the eighteen-year-old age qualification in Alberta to apply in federal elections?

Hon. Mr. FARRIS: I do not suggest for one minute that this Parliament has tied its own hands; but I do suggest that within certain limitations it is sound policy to recognize, so far as is practicable, the right of a province in matters which have special application to one province and which that province considers vitally affects its citizenship, and hence to leave these questions to that province. I quite concede that if for any reason this Parliament said: "We will depart from that principle," it might be justified and would be entitled to do so.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. FARRIS: But I also say, honourable members, that I should be very sorry to see this House at any time deny to the provinces recognition of a principle which, in a limited form it is true, has for many years been recognized as a sound one, and one that most materially has contributed to the unity of this country—so far as there is unity.

There are some answers that may be made to that suggestion. One is that the disqualification of the Japanese in Alberta who were removed there from British Columbia, is in itself a denial of this principle. But I should like to point out that that argument confuses two distinct things: one is the reason for the legislation; the other is the language which is used in the legislation to delimit the disqualification. It is true that in the language of the Senate amendment the Japanese now in Alberta are disqualified because—not because; I almost fell into the error I was trying to correct—they are disqualified under an Act which says that they did not heretofore have the right to vote in British Columbia where they lived. That is not the reason why they are disqualified in Alberta, but it is a convenient way of defining those who are to be disqualified without making it too pointed as to who is being picked out in this way. That is all it means. The real reason for having the enactment in that form is that it is part of war legislation, confined entirely to the duration of the war.

These Japanese who will be allowed to vote as a result of the House of Commons amendment are few in number. In reality, what is involved is a principle, not numbers, the principle being this: we shall confine the limitation to these Japanese who are affected by what we are doing in connection with this war. They are the Japanese who were in what is known as the restricted areas in British Columbia. Practically all of them have been moved from their own homes and deprived of the method of earning their livelihood which they had enjoyed before Japan came into the war. A large number of them are actually outside the province to-day, not because of any anti-Japanese sentiment in British Columbia; they are outside the province to-day or are in unrestricted areas within the province in virtue of a war measure precaution taken by the Dominion Government. It would

be a serious situation if Japanese who had never enjoyed the vote should, as the result of that war measure and during war time, have the vote conferred upon them.

It is to me rather surprising that we have heard so much discussion about the injustice meted out to the Japanese.

Hon. Mr. BENCH: That is not it at all.

Hon. Mr. HUGESSEN: It is the principle.

Hon. Mr. FARRIS: The principle is applied only in the discussion in connection with the Japanese.

Hon. Mr. HUGESSEN: They are the only people affected.

Hon. Mr. FARRIS: I should like to call the attention of my honourable friend to the fact that in British Columbia the Chinese—our allies—are not allowed to vote in federal elections. Yet we have all this discussion. But I have never heard any word about the wrong principle in connection with our allies, the Chinese.

Hon. Mr. BENCH: That is not the question.

Hon. Mr. FARRIS: I have not heard it in this House. The North American Indians and the Esquimaux are not allowed to vote in federal elections, and as far as I know, never have been.

Hon. Mr. EULER: May I be permitted to interrupt the honourable gentleman? There have been protests made at the taking away of the right of any citizen, no matter what his race. If one is a citizen of this country, born in this country, whether of Japanese race, Chinese race or any other race, some of us at least have protested that we have no right to deprive him of his franchise.

Hon. Mr. FARRIS: I have no doubt of the correctness of what has been said, that in general that has been the situation. But in the concrete, in making the application, I have only heard it in regard to the Japanese Let me call attention again to Section 14 of the Dominion Elections Act:

The following persons are disqualified from voting at an election and incapable of being registered as electors and shall not vote nor be so registered, that is to say—

(e) every Esquimau person, whether born in Canada or elsewhere;

(f) every Indian person—

That is a Simon-pure native son of Canada.

—every Indian person ordinarily resident on an Indian reservation.

Hon. Mr. MURDOCK: They never had the right to vote.

Hon. Mr. FARRIS: They never had the right to vote.

Hon. Mr. HARDY: They are wards of the country.

Hon. Mr. FARRIS: That does not make them any the less citizens of this country.

Hon. Mr. HARDY: They are not even allowed to buy whiskey.

Hon. Mr. FARRIS: I have been very much interested, honourable senators, in listening to the explanations offered to justify this legislation in regard to the Esquimaux and the Indians. They are not as strong as the reasons that can be given why, in British Columbia, restrictions are imposed upon the Japanese.

Hon. Mr. LEGER: That is right.

Hon. Mr. FARRIS: Now, let me say as dispassionately as I can that the question of the right of the oriental, and, for the moment, particularly of the Japanese, to vote in British Columbia does not arise out of any war condition or any suggestion that because of hatreds engendered by the war our judgment is affected, and that by a sense of injustice we are carried on to perform acts which in themselves are unjust. That is not the situation at all. Those of us who come from British Columbia have lived with the orientals in that province most of our lives; but we are not different in mind from our brothers in the East. A great number of us came from eastern Canada. It was my proud privilege to come from the province of New Brunswick, and I do not think that just because I live out in British Columbia my sense of what is just or my appreciation of democratic principles are any less than they would have been had I stayed in New Brunswick, gone out to Manitoba, or come to live in Ontario.

The facts are these. Theories are fine until they come up against realities that are not consistent with those theories.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: That is what we in British Columbia appreciate. We in British Columbia have protested all our lives against bringing orientals into that province; and I want honourable members to understand that if it had not been for the protests we have made—they did not accomplish their purpose in full—but if it had not been for the partial success of those protests there would have been an infiltration of Japanese into that province the consequence of which you can appreciate just as well as I can. If there has

been injustice in this matter it has been an injustice to the province of British Columbia, in that these people were not kept out entirely.

It is all very well to talk about rights of citizenship and breaking bargains. There was no bargain broken with the Japanese who became naturalized in British Columbia. Every Japanese who came in there and became naturalized knew that he was becoming naturalized in a country in which the law was such that naturalization did not give him the vote. So there was no contract broken. It is not as if we took him in and naturalized him and then, for the first time, denied him the vote. It is not as if he was invited into the country. He never was invited into Canada. It is true that, by the majority wish in Canada, Japanese were allowed to come to British Columbia in limited number.

Hon. Mr. EULER: How about the man who was born there?

Hon. Mr. FARRIS: I am coming to him in a minute. I am talking about the man who came in. He came into a province where he knew he was not wanted. There is not a single one of them who had reached years of understanding who did not know that when he came into British Columbia he was coming into a province where he was not wanted, and where he would be denied the vote—not in any spirit of injustice, but because the people of that province believed in their hearts that the maintenance of constitutional government and of democracy in its very highest form, would be seriously impaired and perhaps destroyed if it was carried to the extent of giving Japanese the vote as it is given to other people.

It is all very well to say, "You are getting hysterical because the Japanese are committing atrocities. What is the difference between the atrocities of the Japanese and of the German people?" Let me point out to my honourable friend who has interrupted me on this question that all Canada has recognized a fundamental distinction. Nobody has ever suggested that the armed forces, or some commission appointed with the authority of the police, should take the Germans of this country, or the Italians of this country, as a body and incarcerate them or move them from their homes. But in the case of the Japanese, that very thing has been done with, as far as I know, the unanimous approval of all the people of Canada.

My honourable friend from Lincoln (Hon. Mr. Bench) has said that is only for safety purposes. But why for safety purposes? That is the question. When you answer that question I shall answer why the distinction in the franchise.

Why the distinction? Is it safe to allow our German citizens to remain undisturbed? Is it safe to allow the thousands and thousands of congregated Italians in this country to remain undisturbed? The answer is: "Yes". But is it safe to do that with the Japanese? The answer, according to what Canada has done, is, "No, it is not safe." Then there must be some fundamental distinction between these races to justify the action of the people of Canada. I say if there is a fundamental distinction of that kind, it goes right to the heart of the voting issue. It is a fine distinction that says we shall take this man from his home, take his wife and children from their home, confiscate his fishing boat, and send him to a far land—and then for the first time we will give him the vote. That is the logic of the plan, if it is carried through, and for my part I cannot accept it.

Now, my honourable friend says, "What about the native-born?" I think I have answered that in what I have just said. Native-born Japanese living on the coast in British Columbia were taken from their homes just the same as the naturalized Japanese were. Why was that? Was it not because the police authorities and the military authorities of this country fully appreciated the fact that even though a Japanese was born here he could not be trusted like the native-born of other races? There could be no other explanation of it. And if that is so, honourable senators, surely when it comes to this question of the franchise it is illogical and unsafe to give these people in war-time what they were denied in peace-time.

Did honourable gentlemen ever stop to think what the effect of granting the franchise to the Japanese removed from British Columbia might be in Japan? Someone has suggested that it might stimulate them to atrocities. I cannot believe that. I cannot believe that anything can be added to the stimulus of their own characters, as evidenced in this war, to induce them to commit atrocities. I think the ultimate was reached long before the discussion of this question ever came up.

But there is another aspect to it. It is this. One of the things to be taken into consideration in this war is the morale of those who are fighting. I wonder what the effect on the morale of the Japanese would be if they were told that although all through the years when there was peace the Japanese who lived in British Columbia were never allowed to vote, and that although to this day the Chinese in that province are not allowed to vote either federally or provincially, yet these very same Japanese persons who have been removed from British Columbia are now to be granted the vote by the Parliament of Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: My honourable friend from Ottawa (Hon. Mr. Lambert) referred the other day to the book of Joseph Grew, "Ten Years in Japan." I had not read the book before, but I got it out of the Library and have been browsing over it. I cannot say that it has had the effect on me that my honourable friend might have wished. I find at page 153 of the book, in the author's memoirs of 1935, a reference to the discriminatory provisions of the Exclusion Act of 1924, which was in effect in the United States. What he says is this:

I do not think that this is the time to approach the question; of course the Act always rankles and always will, but to repeal the discriminatory provisions now would be interpreted by many as an indication of weakness and as a desire to placate the martial spirit of Japan, and while lovely editorials would be written about our graceful action in recognizing Japan as an equal, it would not in the slightest degree alter Japanese policy or tone down the military propaganda. On the contrary, I can see some Japanese writers arguing that having recognized Japan as an equal on the immigration issue, it would now be all the more appropriate and logical for us to recognize her as an equal on the naval issue.

So, Mr. Grew, in the book my honourable friend has called to my attention, was against the repeal, and I would be against anything at this time that would suggest a distinction of treatment as between the wartime Japanese and wartime Chinese, or any contra-distinction as to the way those same Japanese were treated in peace-time and in war-time, which would suggest to them that we were trying to placate them, or in any way feared the might and power of Japan.

Hon. Mr. BENCH: May I ask whether or not the Chinese in provinces other than British Columbia are permitted to vote at Dominion elections?

Hon. Mr. FARRIS: Of course they are. I do not know why my honourable friend asks that question. I cannot see what relation it has to my advocacy of confining the disfranchisement to the province in which it has always applied.

Hon. Mr. LAMBERT: By way of testing the honourable gentleman's statement, may I ask him a question? Would he say that the four thousand Japanese now resident in provinces east of British Columbia should be allowed to stay in those provinces and enjoy the franchise there after the war is over?

Hon. Mr. FARRIS: In discussing the question that we are now considering, I should say "Yes". But I go further than that and say that in my judgment they ought to be made to stay in the East. I hope some of them go out to Rockcliffe.

Hon. Mr. HAIG: You can have ours back from Manitoba. We will pay their way back.

An Hon. SENATOR: To slavery in British Columbia.

Hon. Mr. FARRIS: There is no slavery in British Columbia. No province in Canada has higher ideals of citizenship or better citizens than British Columbia.

I say, honourable senators, with all seriousness, that in its ultimate results this question transcends anything that this Parliament has considered. The grim realities of this question are of far more importance to the welfare of Canada and to one of its finest provinces than any abstract question of the franchise in relation to the Japanese people. I believe it is a basic truth that when you allow people who cannot be assimilated to come into a section of the country against the protests of citizens of that section, you are simply stirring up grief and trouble. The granting of a vote to such people will not cure the trouble; it will only aggravate it. Such an extension of the franchise merely presents a temptation to politicians, in times of close elections, to secure in return for a concession or two, a block vote, delivered by one, two or three men, that may turn the tide of the election. And so concessions are made, step by step, until the prospect of a white British Columbia is destroyed. My honourable friend from Lincoln (Hon. Mr. Bench) would understand that expression "white British Columbia," and feel just as strongly about it as I do, if he were living in British Columbia.

In his remarks the other day my honourable friend from Ottawa (Hon. Mr. Lambert) spoke of the Negro, and suggested that because Mrs. Roosevelt had taken a certain course the outlook in the United States was better. I would now commend to my honourable friend the reading of an article, which he will find in the Reader's Digest, or, in its original form, in the Atlantic Monthly. The author is David L. Cohn, who, according to the footnote in the Reader's Digest, is a distinguished American. Apparently he is recognized as an authority worthy of having his views published in that magazine and in the Atlantic Monthly. May I read one or two of his observations?

If we would reach the heart of the problem, we must make three candid acknowledgments. The first is that the Negro question is insoluble, as are all complex social questions.

Secondly, it is at bottom a blood or sexual question. The whites are determined that no white in their legal jurisdiction shall marry a Negro, and this is the law of all the southern states.

We know that there are more Anglo-Saxons in the South than in any other part of the United States, and that the southern states

have always given Britain their strongest support and sympathy. Yet it is men of that breed who have taken the stand referred to by this author.

In another part of his article he says:

Upon such a society one must not lightly pass judgment, nor must one seek to apply patent remedies, for to do so is to play recklessly with explosives.

Hon. Mr. LAMBERT: The Negroes seem to have been good enough to fight valiantly for the United States.

Hon. Mr. FARRIS: They may have. I do not know what that has to do with the question.

Hon. Mr. HAIG: Ninety-nine per cent of them in kitchens.

Hon. Mr. LAMBERT: Not at all.

Hon. Mr. FARRIS: A final passage from this article:

Let us not delude ourselves. This is less than democracy. But there is no section of the country in which at some time other minorities, as well as the Negro, have not been discriminated against. There is no government—indeed, no organized religion—which has not at some time compromised with the logic of its own institutions.

All my life I have been told that one of the great sources of the strength of British statesmanship is its capacity to compromise when dealing with actualities, notwithstanding the principles that may be involved.

I realize that I have wandered somewhat from the matter under discussion, and I appreciate the courtesy of the House in allowing me to do so. On the evening when this Bill was formerly under consideration, a couple of weeks ago, I did not speak, because I did not want to keep the House sitting at a very late hour. But I desired to speak, not to persuade honourable members—for at the moment I am not concerned how the Senate will vote on this—but in order to explain the situation to some honourable members who, I think, have not a full appreciation of the problem that exists in British Columbia. It is not a war problem, but one of long standing, arising out of realities in our province.

May I call attention for a moment to the question of assimilation? My honourable friend from Rockcliffe (Hon. Mrs. Wilson) quoted a communication from Dr. Norman Black, of Vancouver. In a Vancouver newspaper, the News Herald, I see a dispatch from Cumberland, dated July 7, which says:

Dr. Norman Black, former Vancouver school teacher, last night denied that he had at any time expressed himself in favour of inter-racial marriages or said that the C.C.F. party was in favour of such a mixture of strains in present-day society.

Addressing a C.C.F. panel discussion here, Dr. Black said if any young couple, a white Canadian and a Japanese, were to ask his advice as to marriage, he would advise against it because he felt that "the ignorance, prejudice and intolerance of the mass of Canadian people" would make life difficult for such a couple.

Well, honourable senators, I think this gentleman takes a lot on himself. He brands the people of Canada who disagree with him on the Japanese question as ignorant, prejudiced and intolerant. I say he is entirely wrong in his application of those terms. The people who understand this question recognize that there are fundamental differences of race.

Oh, East is East, and West is West, and never the twain shall meet.

What Dr. Black terms ignorance, prejudice and intolerance is in reality only the common-sense recognition of the fact that these inter-marriages are impossible, and that the fruit of such marriages would not help to build up the citizenship of this country. The people of the Japanese race are so fundamentally different that they cannot be assimilated as Canadians. Their presence here renders complete internal co-operation impossible and does not make for the kind of nation that we look forward to for our children and our grandchildren in this country.

We have heard a great deal about the franchise. But, honourable senators, let us remember this:

To thine own self be true,
And it must follow, as the night the day,
Thou canst not then be false to any man.

In dealing with this Japanese problem the people of British Columbia have no desire except to be true to themselves and to their province, believing that in so doing they will be true in the highest sense to Canadian unity and to Canadian institutions.

Hon. Mrs. WILSON: Honourable senators, I should like to ask if any honourable members heard the B.B.C. broadcast of the 1st of July, the day after our vote on this Bill, when a battalion of Japanese-Americans fighting in Italy was specially singled out for commendation.

Hon. W. D. EULER: Honourable senators, I do not intend to delay the House, and what I have to say will be spoken without heat. I should just like to reaffirm the principle that every Canadian citizen, especially if born in Canada, should have all the privileges of citizenship, including the right to vote.

I would also point out an anomaly that will arise from the amendment made in the House of Commons. I understand that a few

hundred citizens of the Japanese race—I prefer to speak of people who live here as Canadians, rather than as Japanese or German or members of any other race—I understand that a few hundred citizens of the Japanese race who are living in provinces other than British Columbia will be permitted to vote in the next Dominion election.

Hon. Mr. KING: Those who were in such provinces before the declaration of war.

Hon. Mr. EULER: I want to point out an anomaly that will be created by this amendment. Since the war began a number of citizens of the Japanese race have been transferred from British Columbia to, say, Alberta. They will not be allowed to vote in the Dominion election. But other citizens of the Japanese race, who were resident in Alberta prior to the war, and some of whom who may now be living side by side with the recent arrivals from British Columbia, will be able to vote.

I would again affirm that clause 5 was not worth the dissatisfaction—I was going to say disaffection—aroused throughout the country.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. EULER: Under the present law citizens of Japanese origin in the province of British Columbia cannot vote in federal elections. Could anybody want anything more than that?

Hon. Mr. COPP: Because they were a dangerous element they were removed from that province, and yet you would give them the vote.

Hon. Mr. EULER: I am saying it is an anomaly to have Japanese living side by side, some of whom can vote and some of whom cannot.

But I rose more particularly to declare my absolute disagreement with the lack of principle enunciated by my good friend from British Columbia (Hon. Mr. Farris), that the Dominion franchise should be placed under the control of the province. Just because that has always been done—and I know it appeals to the mind of legal men as a precedent—is no reason why it ought to continue. Unfortunately—or fortunately—I am not a lawyer, and therefore cannot appreciate my honourable friend's point of view. I do submit that it is undemocratic that the legislature of a province should be able in any way to modify the right of the franchise for federal purposes. Let the legislature of British Columbia disqualify any body it pleases, as to the provincial franchise, that is no particular affair of the people of Ontario or New Brunswick or any other province; but to empower that legislature to modify the franchise for federal purposes is to me most illogical. The exercise of such a right will lead to chaos in the different provinces so far as the Dominion franchise is concerned, for certain racial groups may be denied the franchise in one province and be granted it in another. You will have no uniform qualification for the federal franchise. It is an anomaly and utterly devoid of principle. I submit that the franchise for the federal Parliament should be the same in all the provinces.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. EULER: It can be that only if the federal Parliament retains to itself the right to decide who shall have the franchise.

Hon. Mr. DAVIES: I did not want to interrupt the honourable senator from Vancouver (Hon. Mr. Farris) during the course of his argument. I rise now merely to say that I do not think he was quite correct in his statement that the Indians never enjoyed the right to vote. My recollection is that the Indians did vote prior to the election of 1896.

Hon. Mr. FARRIS: If I said that it was an inadvertence. All I can say by the book is that under the present law they do not have the vote.

Hon. Mr. DAVIES: But they did have the vote at one time.

Hon. J. J. BENCH: Honourable senators, at the present time no useful purpose would be served by my opposing the adoption of the motion now before us. On the contrary, it might only delay enactment of the regulations to permit war service electors to vote. However, I want to say that I remain opposed to the principle of denying any Canadian the right of the franchise by reason of his being of this, that or any other racial origin.

Some Hon. SENATORS: Question!

The Hon. the SPEAKER: Is it your pleasure, honourable members, to adopt the motion?

The motion was agreed to.

SALARIES BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 160, an Act to amend the Salaries Act.

He said: Honourable senators, the purpose of this Bill is to amend the Salaries Act. It will be noted that the various ministers and their salaries are set out in section 4, the

underlining indicating the amendment. The Minister of Railways and Canals will now be known as the Minister of Transport, and the Minister of the Interior will become the Minister of Mines and Resources. As was intimated a few days ago when we passed the Veterans Affairs Bill, the Department of Pensions and National Health will be divided into the Department of National Health and Welfare and the Department of Veterans Affairs. The Department of Reconstruction is being set up under the Bill already passed.

Although it would appear that the Government is increasing the number of ministers, that is really not the intention. When the Bill to establish the Department of Reconstruction was before this Chamber I intimated that one of the present ministers would take over the duties of that Department. I would point out that Munitions and Supply and National War Services, being war departments, will cease to exist at the conclusion of the war. In short, it is not the intention of the Government to increase the number of ministers.

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: Next sitting.

CANADIAN HISTORY—UNIFORM TEXT-BOOK

DEBATE CONCLUDED—MOTION AGREED TO

The Senate resumed from yesterday, July 18, the adjourned debate on the motion of Hon. Mr. David:

That this House, acknowledging the teaching of history as one of the fundamentals of patriotism in every country, and anxious to develop a better and more understanding Canadian patriotism, expresses the wish that at the Interprovincial Conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians, as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments in all schools under their direct or indirect jurisdiction or control.

Hon. Sir THOMAS CHAPAIS: Honourable senators, the question raised by our distinguished colleague from Sorel (Hon. Mr. David) is indeed a very important and, let me add, a very complex one. He wants us to "express the wish that at the interprovincial conference to be held in Ottawa, in the near future, the delegates representing the nine provinces of our Confederation may be pleased to appoint a committee composed of the most impartial and competent historians, as such recognized in each province, with the mission of preparing a text-book of Canadian history that could be accepted and adopted by all provincial governments in all schools under their direct or indirect jurisdiction or control." I cannot refrain from feeling that this proposition involves a very arduous undertaking.

Of course, I willingly admit that the aim in view is wholly laudable. It would surely be a very good thing if all the text-books on Canadian history in our nine provinces could be instrumental in moulding the minds of our youth in such a way that they would thereafter have a deeper feeling of national solidarity, of common aspiration, and of truly Canadian patriotism. But would the means which our esteemed colleague has in mind lead us to the desired goal? After a deep study of the problem and sustained attention during the debate in this Chamber through many sittings, I have not been able to come to a favourable conclusion. May I beg my colleagues' forbearance while I expose at some length the reasons for my dissidence.

In the first place, I have never thought that uniformity would be fruitful and desirable in the matter of text-books. Uniformity is averse to progress. It is the law of the closed door. It stems all efforts towards improvement. It kills incentive to achievement. Two books, three books, four books on the same matter may be equally but diversely good and really commendable for various qualities. I am not a believer in one sole mould for human minds. And I hold that a uniform text-book on Canadian history would be detrimental to future improvement in that branch of learning. Years ago, an eminent professor, principal of a normal school, abbé Chandonnet, wrote these lines:

A law which would enact uniformity for school books in the whole country would kill competition, destroy emulation, discourage talent and pave the way to the reign of mediocrity.

I have always been of the same mind, and I must admit that I feel no enthusiasm for the idea of enacting an official and uniform text-book for our Canadian history.

Leaving aside this aspect of the question, I come to another most serious objection to the framing of such a book through the collaboration of a few selected historians. After having deeply thought over such a question, I feel bound honestly to declare that in my humble opinion such an undertaking would be doomed to total and regrettable failure.

The history of Canada is of extraordinary complexity. You know as well as I do that it is deeply divided into two parts: the French

regime and the English regime. The fateful year 1760 is the dividing point: about 150 years, a century and a half, on each side. During the first part, dramatic events took place. Let me recount a few: the birth of a nation, its infancy, its youth, its coming of age, its fights for living and for surviving, for implanting on the shores of the mighty St. Lawrence a Christian civilization. During one hundred and fifty years these men, the pioneers of New France, fought against wilderness, against barbarity, against paganism, against all kinds of mighty foes.

They fought, and fought, and finally they conquered. After a century and a half, this handful of daring men had created a potential empire. From the shores of the St. Lawrence they had unfolded their flag, the flag of their country, north, south and west, over the whole North American continent. Joliette and Marquette had discovered the mighty Mississippi. Cavalier de la Salle, through dreadful vicissitudes, had pushed further south, reached the shores of the Mexican Sea, and paved the way to the foundation of a new French state, named Louisiana in honour of Louis XIV. Later on the noble La Verendrye and his sons had discovered the great West, built forts on the western prairies, and even reached the foot of the mighty Rockies. I confess that at this moment I must check the tumultuous flood of history which is besetting my mind. What a wonderful litany of great names comes to my lips: Champlain, Maisonneuve, Laval, Frontenac, Iberville, Talon, Montcalm, Jogues Bréboeuf, Marie de l'Incarnation, Marguerite Bourgeois, Mademoiselle Mance, Madeleine de Vercheres—great men, great soldiers, great saints, great women! What a golden book! and what a dramatic, what a wonderful history!

Then, in 1760, comes the end of these epics and the beginning of a new era. It is the end of New France, but not the end of Canada. The 60,000 Canadians have succeeded in adapting themselves to their new allegiance. No doubt it was a deep trial. But Canada was their country, and they stuck to the land of their fathers. For years they were still the bulk of the Canadian population, and the history of their national life was the history of Canada. Yes, it must be acknowledged that until 1791 the vicissitudes, the struggles, the exertions of what we now call the province of Quebec, were the main features of the Canadian annals. During all that period, there was no province of Upper Canada. The settlement of that region truly began with the Loyalist migration. It was only in 1788 that it seemed necessary to give it a judicial organization, and it was accordingly divided into the districts of Lunenburg, Mecklenburg, Nassau and Hesse. On the seaside, Nova Scotia alone enjoyed the privilege of a provincial constitution. In 1764 Prince Edward Island, and in 1784 New Brunswick were granted the same privilege. Then, in 1791 Lower and Upper Canada were each granted a separate constitution, and in 1841 were united under a joint constitution. At last, in 1867, the British North America Act united all these provinces under a federal constitution and the Dominion of Canada was born.

My intention in going through that rather unwonted historical survey, and my excuse for doing so, is to show the peculiar situation of the province of Quebec. She is the oldest province of Canada. The first page of her history was written by Jacques Cartier on the shores of Gaspé four hundred years ago. Quebec, Three Rivers, Montreal, her main cities, all have celebrated their third centenaries. In her old cemeteries ten generations of Canadians are lying under the shadow of the Cross. Undoubtedly in the great family of our Canadian Confederation she is the eldest. If we agree to date her birth only from the foundation of Quebec by Champlain, in 1608, she is over three centuries old. Then comes Nova Scotia, two hundred and thirty-one years; Prince Edward Island, one hundred and eighty years; New Brunswick, one hundred and sixty-three years; Ontario, one hundred and fifty-three years; Manitoba, seventy-four years; British Columbia, eighty-six years; Saskatchewan and Alberta thirty-nine years.

With all this data in our mind, we should now ponder over the dreadful predicament of the poor historians conscripted for the onerous task of writing a common history—a text-book—for all those Canadian provinces. That common history should cover the whole field of three centuries. And what would be the framing of such a work? What would be the fair proportion allotted to each part? It must strike every man who is somewhat familiar with those questions, that Quebec, three centuries old, the New France of yonder time, surviving as a distinct and active entity till our own days, should take up half the space in the contemplated text-book. Would such a proportion be acceptable? Would it suit the very natural feelings of the other provinces? Would, for example, the great, weighty and thriving province of Ontario deem that such a repartition would be a fair one? I dare say no; in such a case acquiescence would be miraculous. This great province has had a glorious past. Faithfulness, loyalty, costly devotion to a principle have enhanced

her birth. The sacrifices, the struggles, the hardships, the undaunted spirit, the trials and victories of the United Empire Loyalists shed a glamour on the early history of that province. And her splendid realizations in the fields of trade, agriculture and industry should be a matter of pride and admiration for every Canadian citizen. Therefore Ontario is surely entitled to an extended and full record of her glorious deeds. As a matter of fact, each province—the maritimes, the western provinces—has a claim to a fair historical record of her deeds, and only a text-book framed in that spirit—a text-book where the general survey on the origin, the growth, the trials and achievements of Canada as a whole would be buttressed with special attention to facts having a peculiar importance for the people of the intended province—could be satisfactory. And such a book could not easily be accepted as a standard book for all the provinces of Canada.

We should never forget that in the field of history, perhaps more than in any other, uniformity is not to be expected. It has never been reached in any country. England has had great historians. David Hume had a wide erudition and was a hard worker: he made a Tory history. Macaulay was a fascinating writer: he wrote a Whiggish history. Lingard was painstaking and accurate: his work was more impartial if less brilliant. Green was scholarly: his history of the English people is pre-eminently picturesque. Lecky's main object was to indicate some of the more enduring features of national life. If we cross the Channel, here is Henri Martin with his "Histoire de France," imbued with anti-monarchial principles; here is Amédée Gabourd, with his "Histoire générale de la France," whose inspiration is thoroughly conservative; here is Sismondi, with his "Histoire des Français," whose viewpoint is quite the reverse; here is Lavisse, with his "Histoire de France illustrée," wherein you may find a variety of principles following its variety of contributors. And so on.

No, uniformity is not to be found in the field of history, and, as a matter of fact, it is not to be found in the historical text-books. I was reading lately the following lines in a memorandum on this question:

> The history of England is not taught in the same way in the London and in the Edinburgh schools. The student in Atlanta does not learn the history of the Secession War from the same viewpoint as the student in New York. The schoolboy in the city of Berne (Switzerland) has not the same mind on reformation as his brother schoolboy in Fribourg. And this is not detrimental to national unity. Northern and Southern Americans have the same love for their country. Two religions and three nationalities in Switzerland have not been a seed of conflict.

Then what should be our aim in such a matter? Our aim should be to have in each province one or many good text-books on the history of Canada, books which would join accuracy in the narration of general facts, with peculiar attention to facts more specially connected with the history of the said province. In such books the paramount qualities should be truth, impartiality and a happy blending of provincial and Canadian patriotism. Such text-books would be full of interest for the young Canadians in each province, whereas the uniform text-book would be stereotyped, lifeless, colourless and dull.

In the course of this debate we have heard severe criticisms of text-books presently used in some Canadian provinces. Some of these may be well-founded, some are not. Speaking of the books used in my own province for the teaching of our history, I feel inclined to assert that there are good ones, and others somewhat deficient. Improvement is always timely, and at the present moment in the province of Quebec, a special committee appointed by the Council of Public Instruction, is at work to make a study of text-books on Canadian history.

Of course, one cannot expect that in historical books everything will please everybody. It would be foolish to hope that in speaking of the years which followed the fall of New France, and during which the settling of the new government took place, the authors of our text-books should be bound to state that everything went smoothly, that every deed was wonderfully convenient, that every measure adopted was wisdom itself, that every ruling and edict was the highest peak of statesmanship. That would be undoubtedly false. No, everything was not smooth, everything was not pleasant, everything was not agreeable to our forefathers. And it is only natural and right to say so without bitterness. This is history. It would be ridiculous to veil one's face because such and such a book happens to state that Francis Maseres, once Attorney General at Quebec was a fanatic, or that Governor Craig had none of the eminent qualities of Lord Elgin. Truth without acrimony, statement of facts without hateful commentaries, such should be the law of all Canadian historians, nay of all historians.

History should be impartial, but not impassible. An English writer of history, speaking of the Battle of Culloden, should not abstain from relating that the Duke of Cumberland's

victory had a bloody epilogue in the ruthless butchery of the clansmen faithful to the hopeless cause of Charles Edward. A French writer, relating the brilliant military achievements of Marshal Turenne, should not keep a guilty silence over his merciless devastation of the Palatinate in 1672. A French-Canadian historian would be faulty if he did not denounce the treacherous act of Governor Denonville when he condemned to deportation the Mohawks chiefs whom he had summoned to a parley. Truth should be the law of history.

During the present debate some quotations from text-books authorized in my province have been cited to prove that racial prejudice is fostered in our schools. Those quotations, if they cannot be stamped as spurious, were skilfully carved from their context. Dexterous carving of quotations is sometimes a very convenient art. In the present case use was made of a text-book entitled "History of Canada, by the Brothers of Christian Science, 1910." Admitting the accuracy of the said quotations, it can be seen by the text itself that the author was really fair to the English Governors of 1760-1774, Murray and Carleton.

Now I myself wish to enter the quotation field. In a book entitled "History of Canada, by the Brothers of Christian Science, Montreal, 1914," I read, on page 526 the following lines:

> Since the Cession (1760) the question of independence has always been the dream of eminent statesmen. The great Papineau was thinking of a Canadian republic on the shores of the St. Lawrence. Later on, Sir John Macdonald seemed favourable to independence.

I do not agree.

> It is true that the swift development of our country could lead us to autonomy. But supposing that we should reach independence, might we not have the fear of being absorbed, or at least crushed, by the United States? Moreover, it is very advantageous for a young country to be under the aegis of a powerful nation which can maintain her rights and foster her prosperity. If Canada was independent it would lose the support of mighty England, and would be deprived of treaties favourable to trade and industry. Our connection with England is more important for us than for her.

There is most evidently no sound of anti-British feeling in such lines.

Continuing my intrusion in the quotation field, I come to another carving operation made in the present debate. It was practised on a speech delivered in 1937, by Mgr. Mozzoni, secretary of the Apostolic delegation in Canada, during the sittings of the 15th session of the "Social Weeks of Canada," held in the town of Saint Hyacinthe. This eminent prelate was speaking of the importance and of the benevolent influence of those sittings, and he said:

> If this week is an homage to the doctrine of the Church, it is also a proof of your anxiety towards the magnitude of the social problems. Such a week shall certainly be blessed, and shall be highly promising for your people, for the humble worker, for the lonely tiller of the soil, for all the associations, because you shall work for the actual realization of the Church's teachings.

Then he went on with the words quoted during this debate:

> The politicians may talk of the greatness and the prosperity of the country under such and such a form of government; this concerns us but indirectly. What we do want, and what we shall work to obtain by all our means, is a state completely Catholic, because such a country only can represent the ideal of human progress, and because a Catholic people has the right and the duty to organize itself socially and politically according to the tenets of its faith.

Now, if you put together the two fragments of that speech, you must come to the conclusion that the speaker was referring to the social progress, the social improvement, of our Canadian classes. The "Social Week" was consecrated to the study of "social" problems, and it was those problems that the lecturer had in his mind. It was those problems of which he was speaking, using a tongue that was not his mother tongue. "Such and such a form of government" had nothing to do with the agenda of the sittings. At that moment, it concerned them, "but indirectly". Speaking to a Catholic congress, this high Catholic dignitary was telling how beneficent can be the Catholic principles and doctrines for improving the social order. That was the purpose of his speech. Most evidently he could not and he did not mean that his hearers should organize a crusade to change the Canadian constitution in order to make of Canada a Catholic republic. Common sense is not denied even to Catholic dignitaries.

I do not intend to speak of the deadly menace which, it appears, is threatening our free institutions through the lethal hand of a very dangerous secret society whose birth place was Ottawa, but whose deleterious activity is mainly felt in the wretched province of Quebec. I must humbly confess that I am not a strong admirer of those underground stories.

Summing up the main feature of the present debate. I deem that fostering Canadian unity has been the prime object. It is surely a noble aim. But I should like to call the attention of my honourable colleagues to the fact that we may perhaps be somewhat faulty in our

definition of that aim. If it is Canadian "unity" which is our patriotic goal, I am sorry to assert that it will never be reached. Unity, in its true sense, means "the state of being one." That cannot be our condition. We are not one; we are many. The Canadian people is composed of English-Canadians, of French-Canadians, of Irish-Canadians, of Scotch-Canadians and so on. We speak two main languages. We bow to different altars. We have neither unity of race, nor unity of creed, nor unity of language. Of course, we are not the authors but the heirs of that diversity. We cannot have unity which is the sameness of the component parts. But we may have union, which is the harmony of those parts.

Then, by all means, let us have union, because union is absolutely necessary for the future growth, the progress and happiness of our beloved Canada. Let us have union, strongly founded on a basis of justice, toleration and liberty—on justice, which protects all citizens, and deals equal treatment to minorities and majorities; on toleration, which softens controversies and teaches the mutual respect of national beliefs and traditions; on liberty, which secures for everyone the free exercise of all his civil, political and religious rights.

Such blessed union would make our country a happy, prosperous and glorious land, a land whose history could inspire words similar to those which an English writer used towards the history of England. This writer, Mr. Hutchinson, in "If Winter Comes"—a book which had a tremendous success twenty years ago—speaking of a text-book which his hero would have liked to publish, devotes the following lines to an imaginary introduction:

> England, this England is yours. It belongs to you . . . it is yours and has been kept for you. This book is to tell you how it has come to be yours and how it has been kept for you—not by kings or by statesmen or by great men alone, but by the English people. Down the long years they have handed it on to you as a torch is sent from hand to hand, and you in your turn will hand it on down the long years before you. They made the flame of England bright and ever brighter for you; and you, stepping into all that they have made for you, will make it bright and brighter yet. They passed and are gone; and you will pass and go. But England will continue. Your England. Yours.

These are indeed beautiful words. Changing a few of them, let us tell our generations of young Canadians: Canada, this Canada, is yours. It belongs to you . . . it is yours and has been kept for you. This book is to tell you how it has come to be yours and how it has been kept for you, not by governors or by statesmen or by great men alone, but by the Canadian people. Down the long years they have handed it on to you as a torch is sent from hand to hand, and you in turn will hand it down the long years before you. They made the flame of Canada bright and ever brighter for you; and you, stepping into all that they have made for you, will make it bright and brighter yet. They passed and are gone; and you will pass and go. But Canada will continue. Your Canada. Yours.

Hon. L. M. GOUIN: Honourable senators, it is a difficult task for me to speak after our venerable colleague from Grandville (Sir Thomas Chapais), who is acknowledged to be one of our greatest historians. I remember that in my youth, about thirty years ago, I had the honour to attend his lectures and to consult him on some of our histrical problems. I have always considered myself as one of his pupils, and to his influence I owe much of my conception of Canadian history and patriotism. I have listened with great emotion to his learned historical sketch of our glorious past, and I am glad to applaud the principle he has enunciated concerning what should be the aim of every Canadian patriot, namely, a true brotherly union such as exists in Switzerland—not unity in too rigid a sense, but rather unity in diversity.

Thanks should be accorded to our colleague from Sorel (Hon. Mr. David) for the patriotic inspiration which guided him to introduce the motion we are now discussing. Many honourable senators have expressed the conviction that it is not possible to prepare a uniform text-book for use in all our different provinces; but nobody can doubt the sincerity and nobility of purpose which animated our colleague when he spoke so eloquently in support of his resolution.

Personally, I am convinced that it is necessary that proper steps be taken to develop a truly Canadian patriotism. The teaching of history and education in citizenship are two kindred subjects. But various speeches which have been made here and elsewhere, particularly in my native province, as well as articles in the newspapers, indicate only too plainly that we are far from having reached any kind of unanimity in this matter.

By giving further consideration to this very important and very interesting question in face of the reaction produced by the debate, I have reached the conclusion that in order to prepare a handbook of history with the view of developing the better and more understanding Canadian patriotism set out in the motion, it is necessary to agree upon at least a few

definite basic principles. It has been remarked that it is sufficient to state the truth, the whole truth, and nothing but the truth; in other words, to write history accurately and impartially. We all agree on this theory. But when the historian comes to interpret some very controversial issues, such, for instance, as those indicated by our honourable colleague from Grandville, the historian has to give his own personal interpretation to the documents which he has studied; he has to formulate his own conclusions. That is, he has to appreciate certain more or less distant events of the past and, so to speak, to pass judgment on them.

Writers belonging to different schools of thought will give surprisingly different interpretations to the same facts. There are racial and religious issues in our national annals; there are political, social and economic problems which cannot be treated in the same way by everyone. The philosophical background of the historian will have a well-marked influence on his approach to our past. However, a text-book for an elementary school has to be conceived on a much smaller scale than a treatise destined for more advanced children.

Let us suppose that the proposed committee of historians would first of all set itself to the task of writing some kind of a patriotic catechism to be used for the first lessons to be given in history. This historical synopsis would have to be limited to the most important facts, and it would, I think, be as dry as dust unless its pages revealed the living patriotism of the authors.

What principles would animate those writers in trying to instil in all young Canadians love of their country? Let us be quite frank. Would the writers chosen to prepare such a text-book give first place to Canada as a free and sovereign nation. Would they write history from a purely Canadian point of view—and that would be my wish—or from a British or French-Canadian or provincial point of view? How would such authors conceive our relations with the rest of the Commonwealth, or with the United States? How would they understand the relative positions of the Dominion Parliament and of our provincial legislatures? What kind of a future would they foresee for our growing generations? Each historian would have his personal opinions on all the different subjects which I have just enumerated. Each one would try to write his essay honestly and objectively; there is no question about that. But, after all, when the writer puts all his heart into his patriotic task he finds his inspiration in his personal feelings. A subjective element necessarily comes into play. Without it you may have a dead record, but you cannot have a literary work, the embodiment of the living work of a gifted writer, a historian who is also at the same time an artist belonging to his own time and to his own country.

To be brief, I believe that we must first of all try to find a common denominator by agreeing on some fundamental principles to be followed in the teaching of Canadian citizenship. I am convinced that everywhere in Canada our children should receive a sufficient number of lessons in civics. Only a few provinces have adopted civics hand-books—and, not to spare the truth, those hand-books are in no way masterpieces. The provinces which have not yet done so should follow a similar course. Some day, through the concerted action of provincial authorities, it may be possible to come to some kind of uniformity in this matter. But at all events, every young Canadian should, without further delay, be taught to be proud of his country and his province, and to respect his fellow-citizens of every origin, creed or class, throughout our vast Dominion. Our youth should grow up with a sense of veneration for our glorious past and of confidence in our future. They should realize that they live in a free democracy under a constitution modelled upon that of Great Britain, the home of the Mother of Parliaments. They should have a sufficient knowledge of our democratic institutions in the federal as well as in the provincial field. All young Canadians should become convinced that they enjoy the priceless privilege of living in a land with infinite possibilities, a land where flourish the four freedoms: freedom of conscience, freedom of speech, freedom from want, and freedom from fear. They should believe with religious fervour in the fatherhood of God Almighty and in the true and complete brotherhood of all their Canadian brothers and sisters. Possessing the same rights, bound by the same duties towards their Canadian homeland, all the members of our new generation should understand that they must devote their lives to the glory of their native land, and that, if necessary, they must be ready to die for the survival of our beloved country—this rich and glorious land, where two great cultures are destined to grow side by side, where two great races can live in peace and harmony, giving to the whole world an almost unparalleled example of justice and mutual understanding, of liberty, true equality and brotherhood.

Hon. Mr. HAIG: Question!

Hon. ATHANASE DAVID: Honourable senators, I am certain you do not expect me to occupy your attention—

The Hon. the SPEAKER: I should like to remind honourable members that the honourable senator from Sorel is now exercising his right to conclude the debate. If any honourable senators desire to speak, now is the time to do so.

Hon. Mr. DAVID: I rose because I was told nobody wanted to continue the debate.

The Hon. the SPEAKER: Yes; but it was my duty to direct the attention of honourable members to the fact that the honourable gentleman is about to conclude the debate.

Hon. Mr. DAVID: If, honourable members, discussion of my motion tends to promote greater interest in the history of Canada, I shall be fully satisfied. Moreover, we have been gratified and honoured by speeches which, I believe, reflect credit on this House.

The Senate, among its duties, has two of the utmost interest—the protection of the constitution and the defence of minorities. Presuming that to be so, by the discussion of this motion we should have established before the people of Canada that we accept also, as one of the elementary duties of the Senate, the responsibility of trying to create greater harmony and better understanding between the citizens of Canada. The speeches which have been made reflect not only on the Senate, but also on the speakers. It is always difficult for a man to criticize the remarks of another, especially when long association has proven that even though the words were harsh, the intention was good. But let me say this. It is always a great mistake to judge a people by a noisy minority; and I think all honourable members of this House, men of long experience and understanding, will admit that the smaller the minority the greater the noise. Even supposing there should be in Quebec—I will go to the limit—a group of anti-Britishers, why should honourable senators be surprised? In every part of the Empire, in every part of the Dominion you will find someone somewhere who is anti-British. But because there may be a certain number of these people, are we going to condemn the whole family of French-Canadians in Quebec and throughout Canada? Are we to judge the majority of the people of this country by certain speeches made by certain men of provinces other than Quebec? I felt really sorry when the honourable senator from St. Hyacinthe (Hon. Mr. Bouchard), acting I know within his rights, launched an attack which gave the impression in other provinces of Canada that Quebec was disloyal. The honourable senator knows, as we all know, that the sole and only capital certain men have to help them achieve their personal goal or attain their political ends is fanaticism, chauvinism and prejudice.

Hon. Mr. HUGESSEN: Hear, hear.

Hon. Mr. DAVID: Why should we not act our roles as we do in a family? Because a son is unworthy we do not have the right to insult the mother; and if something has to be said, we say it within the family. Often I have drawn criticism upon myself in the province of Quebec because I have stated truths to my compatriots which I have thought they should hear; but outside of the family of Quebec I always have defended and always will defend that province.

Now, honourable senators, desirous as I am to avoid detaining you too long or imposing upon your benevolence, there are one or two points which I should like to bring to your attention. On the question of economy, as to which a few words were said not of criticism but of doubt, I think the answer was given perfectly last evening by the honourable senator from Ponteix (Hon. Mr. Marcotte). Before coming to that point, however, may I tell the honourable senator from Grandville (Hon. Sir Thomas Chapais) that I have for him personally the greatest respect and the greatest esteem. He is a historian of note, and it was because of my belief in his impartiality, which I still retain, that I thought it possible to find in the other provinces historians of his calibre—impartial and good writers who could make a text-book which would be acceptable to all the provinces of Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVID: Nothing that men of good will desire to accomplish is impossible. Evidence of this I shall try to give. For centuries, off and on, not continually, the Scandinavian countries—Finland, Sweden, Norway and Denmark—had been at war. After the conclusion of the Armistice of 1918—no one could speak of the peace of 1918—the League of Nations studied the possibility of eliminating from all the text-books of the world everything that would incite people to hate and spite, and the first to make a real effort in this direction were the Scandinavian peoples. The four countries referred to nominated a committee of historians to prepare a text-book, which they did, and this book to-day is used in Finland, in Norway, in Sweden and in Denmark. Now, honourable senators, if it is possible for four countries with very great differences in mentality, and great differences in their good qualities and faults, to come to a conclusion and accept a uniform text-book,

should it not be easier for us in a country like this? At various times there have been between the two groups, the two nationalities in Canada, diversities of opinion, and sometimes inbred bad feeling; but is there anything that should or could stop historians as impartial as the honourable senator from Grandville from meeting together and agreeing on facts?

I have before me a book which I consider of great value to Canada. The writer, although of English descent, when he comes to discuss problems affecting the province of Quebec or other provinces does so in a very dispassionate manner, and I modestly and humbly suggest that with that thesis, with the reading of this book, the historians of to-morrow who would form the Committee could arrive at—not a history of Canada; and this is where I should like to make a distinction—but a text-book that would be absolutely different. While I am on this point, and leaving aside the book for a moment, may I say there is nothing implying that when the text-book is adopted in Nova Scotia, say, or in Quebec, the educational authorities of the province would be deprived of the right to add to the text-book one, two, three, four, even fifty chapters; but is it not possible, in erecting the house which I call Canadian patriotism, to have the same foundation in every province?

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVID: When a man is a hero in British Columbia, surely he is a hero in Quebec. If he is a hero in Quebec, surely he is a hero in Ontario. Therefore I believe that as far as the foundation is concerned, the historians to be chosen would very easily agree on a resumé, a synthesis that could be and would be acceptable to all provinces.

I come to one part of this book which I submitted to my very good and honourable friend from L'Acadie (Hon. Mr. Leger), who said there may be a little divergence of opinion on one word. Here is the book "Building the Canadian Nation", by George W. Brown, Professor of History at the University of Toronto. As you well know, one of the great subjects of discussion in the province of Quebec for years past has been the expulsion of the Acadians. It is not easy to erase that incident from our history; it is there to remain; and to deny that it was a serious and great error would be to deny historical truth. But it is for you to judge whether the opinion of your humble servant, who himself is descended from a mother whose ancestors were Acadians, is prejudiced. I shall leave Mr. Brown to speak on the question, just to show my honourable friend from Grandville (Hon. Sir Thomas Chapais) that impartiality is possible in Ontario, as in Quebec and in every other province of Canada.

From the military point of view the decision might be justified because the Acadians had stubbornly refused to take the oath of allegiance and the colony needed to be strengthened for the coming struggle against France, but it was a harsh decision and has no other justification. The expulsion of the Acadians is the only such incident to mar the history of Canada. . . . None the less it is distressing. Perhaps, if it has had any good results, it has strengthened the deep conviction which Canadians hold to-day that no quarrel between races or nations can be permanently settled by the inhuman treatment of helpless people.

I have seldom seen in any French-Canadian text-book a fairer comment on the expulsion of the Acadians.

The honourable senator from Grandville (Hon. Sir Thomas Chapais) spoke eloquently of the past glories of Quebec. Honourable senators, I am unable to recall having met in the last thirty years a single Canadian of English descent who, if acquainted with the history of Canada, has not spoken in admiration of the glories of Quebec. It would be well if all Canadians, wherever they may be living, were familiar with the glorious pages in Quebec's history. Would it not also be well for the people of Quebec to know about the heroes of British Columbia, of the Prairies, of Ontario and of the Maritimes? Is it fair that certain text-books should carry their story no farther than 1910, and that to-day, during the second world war, young boys who are using them should find nothing in them about the first world war? I am satisfied that many young boys using such text-books do not even know the names of the great Canadian Generals of the first world war, and have never heard of such Canadian heroes as Bishop and Brilland, both winners of the V. C. That is why I said, when moving my resolution, that the history of Canada is badly taught; and I have no hesitation in repeating that statement.

The honourable senator from Kingston (Hon. Mr. Davies) has referred to receiving a letter in which it was suggested that if the proposed committee is set up a number of educators ought to be appointed to it. I entirely agree with that. I think that the historians chosen to prepare the text-book should be advised by educators as to the way in which facts should be presented to students.

One person, evidently from my own province, wrote that if the proposed text-book were prepared, the representatives of the majority race would make sure that its errors were not mentioned in it. Well, that is

childish. History, as was said by the honourable senator from Grandville (Hon. Sir Thomas Chapais) is the narration of facts. If an error has in fact been made, whether in Quebec or Ontario, it should be mentioned in a text-book, for to know of an error made in the past may help us to avoid committing a similar one in the future.

Honourable senators, for the closing words of a text-book could any sentence be better designed to encourage the proper teaching of history in Canada than the statement which is to be found at the conclusion of Thiers' magnificent History of the French Revolution? I apologize for the translation I was obliged to make:

> We have written without hate, deploring errors, exalting virtue, admiring greatness, trying to grasp the profound designs of Providence in the fate reserved to us and respecting them when thinking we understood them.

Let this be henceforth the mot de passe of all Canadians.

Hon. T. D. BOUCHARD: Honourable senators, I rise to a question of privilege. The honourable senator who has just spoken said that if a son is blameworthy, that does not give the other members of the family the right to insult their mother; and that questions on which the family disagree should be discussed only at home. I want to protest against the implication of those words. Since making my speech in the Senate I have been vilified outside of the House. I shall reply outside of the House. At the moment I simply want to say that when a French-Canadian speaks in the Senate he is speaking in his own home. The country of French Canadians, as of all other Canadians, extends from the Atlantic to the Pacific and from the 44th parallel of latitude to the extreme north. My national family is the Canadian family, composed of Canadians of French origin and of every other racial origin. In saying what I did here I do not think I insulted my national mother. In the Senate I am at home, and when I speak here I am speaking to my brothers.

The Hon. the SPEAKER: Honourable senators, is it your pleasure to adopt the motion?

Hon. Sir THOMAS CHAPAIS: On division.

The motion of Hon. Mr. David was agreed to.

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

THE SENATE

Thursday, July 20, 1944.

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

Prayers and routine proceedings.

CRIMINAL CODE AMENDMENT BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK, Chairman of the Committee on Banking and and Commerce, presented and moved concurrence in the Committee's report on Bill 139, an Act to amend the Criminal Code.

He said: Honourable senators, there is one amendment to this Bill, a new clause 5, which in effect makes the Act more applicable or more workable in the province of Quebec.

The motion was agreed to.

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

Hon. Mr. KING: Next sitting.

BUSINESS OF THE SENATE

Hon. J. H. KING: Honourable senators, I have been informed that the Minister of Finance would like to have interim supply approved on Monday. Therefore I move that when the House adjourns to-day it do stand adjourned until Monday, July 24, at 3 o'clock.

The motion was agreed to.

CANADA-UNITED STATES OF AMERICA TAX CONVENTION BILL, 1944

SECOND READING

Hon. J. H. KING moved the second reading of Bill 159, an Act respecting a certain Tax Convention between Canada and the United States of America, signed at Ottawa, in the Dominion of Canada, on the eighth day of June, 1944.

He said: Honourable senators, the object of this Bill is to confirm by legislative action the convention entered into on the 8th of June this year between Canada and the United States. My honourable friend from Toronto (Hon. Mr. Hayden) has been kind enough to undertake to explain this Bill to the Senate. The measure is highly technical, and he will, I am sure, give honourable members a satisfactory explanation.

Hon. S. A. HAYDEN: Honourable senators, this Bill gives approval and force of law to a tax convention with regard to succession duties, entered into between Canada and the

United States on the 8th of June this year. At the present time if a person domiciled in Canada held at his death assets in the United States as well as in this country, his estate might be liable to succession duty, first, in the province in which he resided; second, to Dominion succession duty; third, to succession duty in the state in which any assets were located, and, fourth, to United States federal inheritance tax. So in these circumstances there might be four taxing jurisdictions biting into the estate of a Canadian. In our income tax Act we have had for some time a provision for reciprocity as between the two countries, covering Canadians in receipt of income in United States and Americans in receipt of income in this country. The tax convention that we are now asked to approve would extend that principle of reciprocity to succession duties, in so far as the Dominion Government is concerned in Canada and the federal authority is concerned in the United States.

The convention provides that, for the purposes of Dominion succession duty in Canada and of federal estate tax in the United States, real property shall be taxed only in the jurisdiction where it is located. So if a Canadian citizen dies leaving real property in the United States, it will be subject to succession duty only in that country. Shares in companies are to be treated as property in the jurisdiction where the company was organized. Therefore, if the assets of a Canadian estate include shares in a company organized in the United States, they will be regarded as being situated within the United States; and of course the same principle will apply conversely where the assets of an American estate include shares in a company organized in Canada.

The salient features to which I think I should direct attention are the credit provisions and the exemptions. I must admit that it took me a little while, with the aid of a pencil and some scratching, to work out exactly how the credit provisions are applied. For the benefit of honourable senators I shall attempt to give an illustration, based on data furnished to me by an official engaged in the administration of federal succession duties.

In the case of a Canadian, domiciled in Canada, dying and owning property in the United States as well as in Canada, you calculate the credit his estate is entitled to in this way. First, you take the total value of the United States assets, other than real property, which are taxed by Canada, and you relate that value to the value of the total assets held in the United States at the time of the testator's death. The percentage you arrive at may be 100 per cent if there is no real property; it may be less if there is real property. That is the percentage of the United States tax paid by the estate which it is entitled to deduct from the Canadian succession duties.

Let us take the case of a Canadian, who at the time of his death was domiciled in Canada and owned real property in the United States to the value of $50,000, and stocks to the value of $100,000. He owned other property, not situated in the United States, to a value of, say, $600,000. Thus the total value of the estate, wherever situated, is $750,000. The Dominion succession duty—which even under this tax convention would be calculated on all property which the deceased person held anywhere, except real property located in the United States—would amount to $90,000. The United States tax would amount to $15,000. To arrive at your credit on Canadian succession duty you take the total property situated in the United States, consisting of real property and stocks to the value of $150,000. The total property value taxable by Canada is only $100,000, because Canada does not tax the real property situated in the United States. Then you put the $100,000 over the $150,000, and you get 10 over 15, or two-fifths.

Hon. Mr. HAIG: Two-thirds.

Hon. Mr. HAYDEN: I am sorry, two-thirds. You calculate two-thirds of this $15,000, which is the federal estate tax on that estate in the United States. Therefore the credit to which that estate would be entitled in Canada would be two-thirds of $15,000, or $10,000.

To the extent that the convention provides for a reduction in taxes in these circumstances, I think it is a step in the right direction. It may not go so far as we feel it should go, and probably there should be further reciprocity as between the provinces and each state in the United States. But to the extent that it does go in the direction of lightening the burden of taxation where estates are subject to so many death and succession duties, I think we cannot but commend the principle of the Bill.

Now then, as to exemptions. A person in Canada, for instance, who had a portion of his estate in the United States would be entitled to exemptions based on the relationship of the estate in the United States to the total estate. And conversely, the same in Canada. I asked the official to work out an illustration for me. We took a person domiciled in the United States who died leaving total property wherever situate, of $100,000, and assets in Canada of $25,000. Now, a widow would be entitled in Canada to an exemption of $20,000,

and a child under 18, to $5,000. In these circumstances you calculate the percentage which the $25,000 estate in Canada bears to the total estate of $100,000, and that is the percentage of the exemption to which the estate of a United States citizen dying in the United States would be entitled in Canada. And it works conversely. In these circumstances, where the estate was of that size, twenty-five one-hundredths would mean an exemption of $5,000 for a widow.

Now, I do not think these things are apparent from a casual reading; but that is the way the convention works. It recognizes the principle that the country of domicile is entitled to tax all the property owned by the deceased at the time of his death, except, in the case of a Canadian, real property situated in the United States, or conversely, in the case of an American, real property situated in Canada. Also, in accordance with the terms of this convention, the United States undertakes, in the case of a deceased person other than a citizen of the United States who at the time of his death was domiciled in Canada, to tax only property situated in the United States. And there is a reciprocal undertaking on the part of Canada.

There is a provision in the convention for exchange of information, and while I for one have very strong views on the secrecy—possibly "secrecy" is not the word—as to how closely information with respect to a man's personal affairs should be guarded, it seems necessary for the working out of this convention that there should be some method for the giving of information by the United States if, in the course of investigation of an American estate, it is found to include some Canadian assets; and conversely by Canada, if a Canadian estate is found to contain United States assets. So the convention provides for an exchange of information.

The convention has not yet been ratified by the United States Government. It is in progress of being ratified here. After ratification by both governments it will become law, effective as of the date of the commencement of our Dominion Succession Duties Act, which takes us back to the 14th of June, 1941. So to some extent it is retroactive.

Now, the Bill itself provides for certain regulations which the Minister of National Revenue, who will administer the Act, may deem necessary from time to time for the purpose of properly carrying into effect all the provisions of the Bill and the tax convention.

Those are the two main features to which I think it is important that I should call attention, and I hope the explanation given may prove of some benefit to the Senate.

I would suggest that after second reading the Bill be referred to the Standing Committee on Banking and Commerce, because I think possibly we should have some of the officials present to explain in some detail the working of the measure.

Hon. G. P. CAMPBELL: Honourable senators, I should like to make two or three observations with respect to this proposed Bill. First of all, I think this legislation is overdue. We in this country have realized how important it has been to have new capital come into the country for investment purposes. We have been fortunate, I think, in having a great deal of United States capital come to Canada for investment, American investors feeling that there is great security for investment in this country.

During recent years many investors of funds in Canada have realized that before death they must withdraw those funds, otherwise they are likely to be confiscated by duplicate taxation. This Bill goes as far as this Parliament is able to go, but it does not go far enough. The relief must come from the provinces. The provinces have used every means, fair and unfair, I think, to extract money from foreign investors in this country. May I illustrate the point? Many United States investors have invested money in the gold mining industry of Ontario. Under the former law, where a company had a transfer office in the United States, these investors could transfer their securities in the United States without becoming liable to succession duties in Canada. The provinces attempted to collect succession duties in some of these cases. In one, which went as far as the Privy Council, decision was given against the province. It was held that so long as the transfer agency was out of the country the situs of the shares was in the United States, the succession took place in the United States, and the holder of the shares was entitled to transfer them without becoming liable to duty in Canada. Two provinces, my own province in particular, passed regulations which to my mind were completely unfair and had the effect in many cases of discouraging people from investing in Canada. The regulations which Ontario put in force—and they have not yet been tried out in any high court, though there is a recent decision invalidating them—say in effect that unless the transfer office is in the state in which the deceased resides the duties shall be collected in Ontario. I believe there is a similar regulation and law in the province of Quebec.

Now, I hope the provinces may take lead from the legislation which is proposed here, and the convention which has been adopted

between Canada and the United States. What we require in this country is a free exchange of money. The free exchange of money is as important to us as the free exchange of goods, and many of us in the legal profession recently have seen cases in which people, in order to preserve their assets, have been forced to withdraw money from Canada so as to put their estates in order in preparation for death. I had many conversations with people throughout the United States before this legislation was proposed, in which they pointed out that under the circumstances which exist by reason of such a duplication of taxation it was impossible for them to advise investors to put their money in Canada.

In my opinion the governments of the two countries are to be congratulated upon entering into a convention of this sort, which is so essential in view of the close relationship of the two countries. Such a convention is extremely important at this time. A similar convention should also be entered into between the provinces and the United States, because we are going to face a post-war period in which we are bound to enjoy an expansion of trade and to invite capital to this country. As many of us already know, the people of the United States have great confidence in our financial structure, in our banking system, and in our governments. Therefore, before closing—though it is not just on the point, possibly—may I be permitted to say that the only thing that stands in the way of prosperity and development of this country beyond anything we have ever contemplated is a radical and unstable government. If that comes about, it will disturb business and discourage investment in this country; but it seems to me that the convention which has now been entered into is an indication of the willingness of Canada and of the United States to get into closer co-operation in the economic life of this continent.

Hon. W. R. DAVIES: Honourable senators, I have listened with great interest to the two honourable senators from Toronto who have discussed this Bill. I agree with them both that it is a step in the right direction. However, I have risen to my feet this afternoon to suggest that it might be well if the government of this country were to take steps along the same lines in another direction, namely, towards the Mother Country, Great Britain.

It may surprise honourable senators to know that while we have reciprocal income tax arrangements with the United States, and are now going to enter into a reciprocal succession duty arrangement with that country, which technically is a foreign country, we have no arrangement whatsoever with Great Britain. We did before the war, I believe, under some convention of the League of Nations, have some sort of reciprocal income tax arrangement with the Republic of France; but we have never had one with Great Britain.

The honourable senator from Toronto who sits to my left (Hon. Mr. Campbell) has said we want to try to encourage capital to come into this country after the war. I quite agree with him in that. But if we expect to encourage capital from overseas, should we not try to make some arrangements which will be as favourable as those we have made with the country to the south of us?

At the present time many Americans have summer homes in the province of Ontario—probably in other provinces as well, but I speak of the province in which I live—and those Americans can come into Ontario and spend the entire summer at their summer homes and never be charged here with income tax. Many Canadian citizens, including some honourable senators, have winter homes in Florida. Those citizens, I believe, can go down to the United States and spend their winters there without any restriction and without being assessed for income tax. But such a situation does not obtain in regard to the Mother Country. I am quite well aware that there is a far greater exchange of population between Canada and the United States than there is between Canada and Great Britain. Nevertheless, when you inquire, you find that a large number of people are affected by the condition which I mention. A general who had a very distinguished record in the last war, an Englishman who had an estate in Great Britain, made a trip to Canada; he liked it here, and bought a very large farm not fifty miles from the city of Toronto. Prior to the war he was spending six months of each year on his estate in Great Britain and the other six months on his farm near Toronto. I discussed the matter of succession duties with him, and he was very much puzzled. He said, "Frankly, I do not know what would happen if I were to die in Canada." He felt that his domicile was in Great Britain. As we all know, domicile is a difficult question, one that is sometimes hard to decide. About fifty miles from my city there lives a drover who before the war carried on a cattle business with Great Britain. He purchased a large farm, some twenty-five or thirty miles from Liverpool, to which he shipped his cattle, and at certain times he resided in a house on the farm. In discussions with me he has often said he wondered what would happen to his estate if he were to die in England.

While we are making conventions and treaties with the country to the south of us we might see if something could not be done along the same line with the Mother Country—or perhaps I should say Great Britain, for it is not the mother country of many of our citizens. Its income tax regulations are much stricter than many Canadians suspect. If a Canadian visits Great Britain in four successive years, he becomes liable to the British income tax. A distinction is drawn between, as it is termed, a resident and an ordinary resident, and one's classification is arbitrarily decided at Somerset House.

Some Canadians, domiciled in this country, have real estate or other property in Great Britain, and if they should happen to die over there the British authorities would no doubt collect succession duties. I am a strong believer in succession duties, but I believe they should be paid to the government of the country in which the deceased earned his money. The amount of money a man earns depends not only upon his own work and ability, but upon conditions prevailing in the country where he lives. People who have acquired property in Canada, for instance, were helped by conditions which they would not have found on a desert island. I believe it is not fair that an estate should be taxed for sucession duties by a country which has contributed nothing to the building up of the estate.

At the present time estates in the province of Ontario, and, I believe, in every other province, are liable to at least two succession duty taxes. The rules and regulations governing Dominion succession duties are different from those governing provincial succession duties. Upon the death of a Canadian domiciled in Ontario, his estate, if worth more than a certain amount, would be liable to succession duties, first, to the Dominion and, secondly to the province; and the province makes no allowance for any tax that an estate has paid to the Dominion. Furthermore, while the Dominion exempts gifts made more than three years prior to the donor's death, the Ontario Government taxes gifts made as far back as 1897. Suppose that forty years ago an Ontario man gave to his daughter, on the occasion of her marriage, a little house worth three or four thousand dollars, his estate will be liable to the province for succession duties on that gift. That seems to me to be quite ridiculous. This whole matter might well be revised after the war.

I feel that in any event there should not be double succession duties within the British Commonwealth of Nations. Canada is an equal partner with Great Britain and other members of the Commonwealth. We have played a highly important part in this war. We have made several gifts of a billion dollars each to Great Britain, and we ought to be able to arrange—at least we should try to arrange—with that country a reciprocal tax agreement such as this one with the United States. It would be a grand thing if at the peace conference a reciprocal tax agreement were made between all nations or at least between the Allied nations. But if that should prove impossible, representatives of the British Commonwealth certainly ought to be able to sit around a table and devise reciprocal conventions, covering both income tax and succession duties, for the countries of the Commonwealth. We who are Allies in war should continue to be Allies in peace, and be willing to give and take in the matter of taxation. I am inclined to believe that such a convention would be warmly welcomed by the Canadian taxing authorities.

Honourable senators, I quite approve of this convention with the United States, and rose simply to urge that we try to make similar conventions with members of the British Commonwealth.

Hon. JOHN T. HAIG: Honourable senators, I had a question to ask of the honourable gentleman who introduced this Bill (Hon. Mr. Hayden), but I see he has left the Chamber. I take it for granted that the Government had no difficulty in arranging this convention with the United States.

Hon. Mr. KING: I am not competent to answer. I expect negotiations were carried on in the ordinary way.

Hon. Mr. HAIG: From what I know of business I should think that American investments in Canada are very much greater than Canadian investments in the United States, and that therefore this agreement is all in favour of the United States.

Hon. Mr. KING: Not at all.

Hon. Mr. HAIG: Well, to the degree that American investments in this country exceed Canadian investments in the United States. There may be ten, twenty, thirty or forty times as much American money invested in Canada as Canadian money invested in the United States. Whatever the ratio may be, the convention is to that degree more profitable to the United States. I am not objecting to the contract—I think it is along the right lines—but we should not flatter ourselves that we are getting something. We are on the giving end of the contract. I am quite in accord with what was said by my honourable friend from Kingston (Hon. Mr. Davies) as

to the advisability of arranging a convention with Great Britain, but if we succeeded in that we should be on the giving end again.

What struck me in the speech of the honourable senator from Toronto (Hon. Mr. Hayden) was the compliment he paid to the Government for entering into this convention with the United States. But the Government has done nothing to remedy the succession duty situation as between the Dominion and the provinces, a situation which is far worse than that as between Canada and the United States. Let me illustrate. Suppose a man in Manitoba were to die owning real estate in that province and stock in companies with head offices in Ontario and Quebec. His estate would be taxed for succession duties by the Dominion, and by the province of Manitoba, Ontario and Quebec. There is an opportunity for the Dominion Government to step in and do some really valuable work in clearing up this state of affairs. I have in mind one instance where tax payments were made to the Dominion and every one of the nine provinces, as well as to four states across the line.

As a practising lawyer I consider that the imposition of succession duties by the Dominion and the provinces make it impossible for a family concern to carry on after the death of the principle owner. The trustees simply have to sell out the business in order to meet the charges for succession duties and income taxes. No other feature of our economic system is so disruptive as this multiple succession duty tax. It induces men to make gifts during their lifetime, within limits controlled to some extent by the income tax regulations. While I congratulate the Government upon having made this convention with the United States, I say again that the condition at home is far worse than the one the convention seeks to remedy.

Now, on the side, may I just say a few words along the political line to my honourable friends opposite. If the present Government is not returned to power in the next election, its defeat will be attributable chiefly to the taxing laws that it has made. Every time the question comes up it raises trouble. People will ask: "Why did the Dominion Government come into the succession duty field, when the provinces are already in that field? Why did it not enter into some arrangement with the provinces for the making of one assessment to cover all succession duties on every estate?" After a man or woman dies, the trustees of the estate prepare information in answer to questions asked by the Dominion succession duties office. Then a wholly different set of questions will have to be answered for the province of Ontario, or any other province in which the deceased had assets.

When there has to be a transfer of ownership in an Ontario company's stock certificates, the trustees may run into considerable difficulty with the succession duties office in that province. I understand that much less trouble has been encountered in that connection in the last year or so, but formerly it used to be really serious. There never was anything like as much trouble with the succession duties office in Quebec. I say candidly that the Quebec department deals with these matters on a business basis. When dealing with them you did not feel, as you did when dealing with Ontario, that they were after you.

I earnestly urge the Government to take up this question of succession duties. At present the combined charge on an estate is tremendous. I agree with my honourable friend from Kingston (Hon. Mr. Davies) that succession duties should be paid to the country in which the taxable assets were accumulated, for the testator was protected by the laws of that country and benefited from the general business conditions existing there. The difficulty is that we are not able to get a uniform succession duty that the ordinary estate can bear. The insurance companies have tried to meet the difficulty by selling policies payable to provincial treasurers, but the Dominion taxes the proceeds of those policies just as if they were paid to private individuals; the provinces do not.

I honestly think that the Dominion Government never was entitled to succession duties. Since every estate is accumulated in one or more provinces, succession duties are a source of revenue that should have been left entirely to the provincial authorities. I take the opposite view with regard to income tax, which I say should be payable to the Dominion and not to the provinces.

At present succession duties are so formidable that they strike at the root of our business organizations and discourage enterprise. Every province in which an estate has assets grabs a portion of them. The matter is so complicated that it should be dealt with by the federal Government. I shall vote for the Bill and I ask my fellow-members to do so; but I say that after the war the Dominion should take the lead in bringing about the long overdue revision of our succession duty laws.

Hon. W. D. EULER: Honourable senators, I quite agree with the acting leader on the other side (Hon. Mr. Haig) with regard to succession duties. It seems to me quite unfair

that more than one province should be able to collect such duties from any estate. That was my honourable friend's main point?

Hon. Mr. HAIG: Yes.

Hon. Mr. EULER: His objection applies also to the provinces farther west. I recall the case of a resident in Ontario whose estate was subject to succession duty not only in that province but in Alberta, and of course to the Dominion levy as well.

My honourable friend stated that we must not be too proud of this convention because he imagined that after all the United States is getting the better of the bargain, since United States investments in Canada are probably greatly in excess of Canadian investments in the United States. I believe he is perfectly correct. But I do not think you can keep an ordinary ledger balance in regard to these things. I will give him an instance where the shoe is on the other foot. A few years ago we had a convention with the United States under which each Government taxed dividends at 5 per cent. United States companies deducted 5 per cent from the dividends of their Canadian investors and paid this into the United States treasury. Conversely, Canadian companies deducted 5 per cent from the dividends of their United States shareholders and remitted to the Canadian treasury. I do not know who was to blame for changing this arrangement, but unfortunately we raised the tax to 15 per cent. The United States promptly retaliated by raising its tax to 17½ per cent, and later on to 27½ per cent. This heavy impost, it seems to me, was both unwise and unfair from the point of view of the Canadian and also of the American investor. If the tax had gone into our own treasury it would not have been so bad, but because there was more American money invested in Canada than Canadian money invested in the United States, the greater portion of the tax went to the United States treasury. Under a later convention we have a reciprocal arrangement whereby each country collects a tax of 15 per cent. I am sorry the old rate of 5 per cent was not restored. I think that, on the basis of his own argument, my honourable friend will admit that in this particular case Canada is getting the advantage.

Hon. Mr. HAIG: Correct.

Hon. Mr. EULER: May I add, by way of mild reproach, that it seems to me his argument in support of uniformity of taxation might also be urged in favour of uniformity of franchise.

Hon. JAMES MURDOCK: Honourable senators, I know very little about succession duties, but I might give a concrete illustration to show what the provinces are doing in this regard. I happen to be the executor of a comparatively small estate of some five or six years' standing. The estate included some stock in Canada Car, originating in Quebec. I paid to the Ontario Government $273 succession duty on that stock, and a similar amount to the Quebec Government. In respect to a small holding of stock in Nova Scotia, that province and Ontario each took its share of succession duties. A little later, in order to provide cash for the estate, I had to sell that small holding, and it realized less than the succession duties paid to those two provinces. If the Provincial Governments would take steps to put an end to this double taxation, they would undoubtedly be moving in the right direction.

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.

SALARIES BILL

CONSIDERED IN COMMITTEE

Hon. J. H. KING moved the third reading of Bill 160, an Act to amend the Salaries Act.

Hon. ANTOINE J. LEGER: I move in amendment to the motion, that the Bill be not now read the third time, but that it be referred to the Committee of the Whole House for consideration forthwith.

The amendment was agreed to, and the Senate went into committee on the Bill, Hon. Mr. Sinclair in the Chair.

On section 1—salaries of Ministers:

Hon. Mr. HAIG: The Ministers of National Defence for Air and of National Defence for Naval Services are not mentioned. How are those Ministers paid?

Hon. Mr. COPP: They come under the Department of National Defence Act.

Hon. Mr. HAIG: There is a salary of $10,000 for the Minister of National Defence.

Hon. Mr. KING: Under the Department of National Defence Act provision is made for the salaries of the Minister for Air and the Minister for Naval Services.

Hon. Mr. HAIG: But they are not included in this Bill.

The section was agreed to.

On section 2,—Minister of Pensions and National Health.

Hon. Mr. LEGER: Why is it necessary to continue the salary of the Minister of Pensions and National Health, while there is no mention of the other Ministers? I do not know, but I surmise that this is to ratify payment of salary for which there was no legislative authority. I have no objection to the Bill, but I think we should ratify what has been done. Therefore I would suggest that the section be amended along these lines: the payment of salaries heretofore made to the Minister of Pensions and National Health is hereby ratified and confirmed, and so forth.

Hon. Mr. KING: I was Minister of the Department of Pensions and National Health when it was constituted in 1927 or 1928, and I have no doubt that provision was then made for the salary of the Minister. Previously there had been a Department of Soldiers' Civil Re-establishment and a Department of National Health, which departments were merged into the Department of Pensions and National Health. If that is the only question my honourable friend has in mind, I would suggest that the Committee rise and report progress and ask leave to sit again. In the meantime we can clarify the point.

Hon. Mr. LEGER: It is not important, and I do not want to cause any delay, but unless my surmise is correct I see no reason why there should be provision to continue the salary in that particular case and not in others. If we are to pass legislation to confirm something, it seeems to me we should do it properly and go back and ratify what has been done in the past, and also authorize what is to be done in the future.

Hon. Mr. KING: I have no doubt there is authorization for the payment of the Minister of National Health and Welfare. It is intended that the old department shall disappear and that two new departments shall be set up, one under the Minister of National Health and Welfare and the other under the Minister of Veterans Affairs. It is intended that for this session the present provision shall continue.

Hon. Mr. LEGER: But that would automatically continue until the Act comes into force. I cannot see that this is anything but a ratification; and if it is, I think it should be done right.

Hon. Mr. DUFF: Am I right in assuming that my honourable friend (Hon. Mr. King) was at one time a very valuable Minister of Pensions and National Health of this country?

Hon. Mr. KING: I had the honour of being the Minister.

Hon. Mr. DUFF: And that he received his pay?

Hon. Mr. KING: If my honourable friend opposite insists—

Hon. Mr. LEGER: No, I am not insisting.

Section 2 was agreed to.

The preamble was agreed to.

On the title:

Hon. Mr. LEGER: Will the Leader of the Government undertake to give me an answer to my question?

Hon. Mr. KING: I will. I shall do that.

The Bill was reported without amendment.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall said Bill be read the third time?

Hon. Mr. KING: Now.

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

AERONAUTICS BILL

MOTION FOR SECOND READING—
DEBATE ADJOURNED

Hon. J. H. KING moved the second reading of Bill 133, an Act to amend the Aeronautics Act.

He said: Honourable senators, I have just a few remarks to make in regard to this Bill, the purpose of which is to amend the Aeronautics Act. That Act was passed in 1927, and under it civil aviation in Canada has been carried on to this time. When we consider the tremendous development that has taken place throughout the world, especially within the last four years, not only in the matter of civil aviation but in war aviation, we must realize the importance at this time of giving very careful consideration to all matters pertaining to aviation not only in Canada but elsewhere. This matter is one which probably will require the most careful consideration of all governments within the next year or two.

The Bill before us deals with matters pertaining to our own domestic field. The Government have thought it wise to set up a committee of experts to carefully study aviation and its development in Canada, and from time to time to advise the Minister, and through him the Government, of developments and changes within our own country.

We are all conversant with what took place in the early days of railway transportation, and later in the matter of bus transportation. To-day we have before us a field which is fairly clear of the obstacles which confronted us in other fields in earlier days. At least we have the experience of the past to guide us.

In 1943, the Government, through the Prime Minister, not only indicated to Parliament the Government's view in regard to international and domestic aviation but also placed before the people of Canada proposals that would give them an opportunity and the time—more particularly the time—to consider the procedure to be followed with regard to aviation in its broader sense. Then again this year, the Minister of Munitions spoke at great length in another place on this subject. Policies have been laid down which, naturally, will cause some controversy and some discussion; but as far as the Bill before us is concerned, it simply proposes that a body be set up to advise the Minister from time to time, and through him the Government, of developments in air transport in Canada. A study will be made of this great country, which extends from the Atlantic to the Pacific—a country which must and probably will develop more rapidly than any other country in the world after the war. It is for this reason that it is thought wise to set up an Air Transport Board.

It is also proposed that this Board shall administer and make regulations regarding the granting of licences, the type and character of services, rates, safety precautions and other matters related to aviation. The Bill fairly well explains itself, and should, I believe, commend itself to the favourable consideration of the Senate.

As the subject matter of the Bill is of great importance, when the Bill has received second reading, I am going to move that it be referred to the Standing Committee on Railways, Telegraphs and Harbours, where there will be opportunity for further discussion of the various sections and clauses of the Bill so that they may receive the consideration they merit.

Hon. JOHN T. HAIG: Honourable senators, as we are going to meet on Monday next, I beg to move the adjournment of the debate. I do not think it will delay the Bill unnecessarily.

Hon. Mr. KING: All right.

The motion was agreed to, and the debate was adjourned.

TRANSPORT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 101, an Act to amend the Transport Act, 1938.

He said: Honourable senators, there is really nothing to this Bill, which is a companion Bill to the one we have just been considering.

Hon. Mr. HAIG: Carried.

Hon. Mr. KING: It simply takes out the words "Air" and "Air Service" wherever they appear in the Transport Act.

Hon. Mr. HAIG: It just straightens out the wording.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall said Bill be read a third time?

Hon. Mr. KING: Now.

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

GARSON DIVORCE BILL

REFERRED TO COMMITTEE

The Senate proceeded to the consideration of a message from the House of Commons with regard to Bill W4, an Act for the relief of Ruth Usher Garson, passed by the Senate.

Hon. A. B. COPP: Honourable senators, I would move that this message from the House of Commons be referred to the Standing Committee on Divorce for further consideration.

Hon. Mr. MURDOCK: Can we ascertain what it is about?

Hon. Mr. COPP: It is simply a Bill that passed the Senate Committee and this House last year, but which was missed in some way by the House of Commons and did not come before that House. In order that it may get before the House of Commons there has to be another recommendation.

Hon. Mr. LEGER: It has to be re-enacted, as it were.

Hon. Mr. COPP: Yes.

The motion was agreed to.

The Senate adjourned until Monday, July 24, at 3 p.m.

THE SENATE

MONDAY, July 24, 1944.

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

Prayers and routine proceedings.

APPROPRIATION BILL No. 4

FIRST READING

A message was received from the House of Commons with Bill 164, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. J. H. KING: Honourable senators, with leave, I would move second reading of this Bill now. This is an interim supply bill for one-twelfth of the individual items set forth in the main estimates. However, as to the legislative branch and the Department of Mines and Resources, one-sixth is provided for. I may say that the Department mentioned requires this vote to meet the expenses of prospecting parties already in the field.

Hon. Mr. LEGER: Is this the third or fourth appropriation bill?

Hon. Mr. KING: The fourth.

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

THIRD READING

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

Hon. Mr. KING: I would move so now.

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 Honourable Thibodeau Rinfret, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber to-day at 5.45 p.m. for the purpose of giving the Royal Assent to certain bills.

PRIVATE BILL

REFUND OF FEES

Hon. Mr. BLAIS moved:

That the Parliamentary fees paid upon Bill T3, an Act respecting the General Missionary Society of the German Baptist Churches of North America, and to change its name to the North American Baptist General Missionary Society, be refunded to Mr. A. L. Marks, Edmonton, Alberta, solicitor for the petitioners, less printing and translation costs.

The motion was agreed to.

MECHANICAL FISH DRYING PLANTS

INQUIRY

Hon. Mr. DUFF inquired:

1. How many mechanical fish drying plants have been erected by the Dominion Government since January 1, 1939?

2. At what places were they erected and what corporation, firm, or person is operating them, or are they operated by some government agency?

3. What did the said plants cost?

4. Has the Government during that period advanced to any corporation, firm or individual, financial assistance for any such mechanical fish drying plants?

5. If so, how much has been advanced or paid out, and at what places and to which corporations, firms or individuals?

6. Have any contracts been entered into by any department of the Government with any corporation, firm or individual for the building of any such mechanical fish drying plants, and what proportion of the cost of same will be borne by the Government?

Hon. Mr. KING: The answer to question 1 is "None." Questions 2 to 5 are answered by the answer to 1. The answer to question 6 is "No."

CRIMINAL CODE AMENDMENT BILL

THIRD READING

Hon. Mr. KING moved the third reading of Bill 139, an Act to amend the Criminal Code.

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

DEPARTMENT OF NATIONAL HEALTH AND WELFARE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 149, an Act to establish a Department of National Health and Welfare.

He said: Honourable senators, it will be recalled that the Speech from the Throne expressed the view that three departments should be set up to deal with post-war planning: a Department of Veteran's Affairs, a Department of Reconstruction and a Department of Social Welfare. Bills to establish the first two of these departments have already been passed, and the object of this measure is

to establish the third department, whose title is to be, not Social Welfare, but National Health and Welfare. We all know that according to our Constitution public health comes within the jurisdiction of the provincial governments, but certain matters, such as quarantine, immigration and the control over a number of drugs, fall within the purview of the Dominion Government and have been administered by the federal Department of Health. It is intended that that department, which has been in existence since 1920 and for some years has been administered in association with the Department of Pensions, shall be brought within this new department.

I believe it will be generally admitted that although jurisdiction in matters of health rests with the provinces, there is a national field in which useful service can be rendered, and that the federal department has done good work towards improving health conditions throughout Canada. Personally I look forward to the day when there will be a research branch at Ottawa or somewhere else, under federal control, to carry on scientific investigation into all questions affecting the health of our country. This is a very wide field, and I think it would be unwise, even if it were possible, for the provinces to undertake work of that character.

I desire to call attention to section 8 of the Bill, which reads:

Nothing in this Act or in any regulations made hereunder shall authorize the Minister or any officer of the Department to exercise any jurisdiction or control over any provincial or municipal board of health or other health authority operating under the laws of any province.

This is a clear statement that the Government has no desire to interfere with the activities of the provincial Departments of Health.

I have much pleasure in commending the establishment of this ministry to the Senate.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: Honourable senators, if it is agreeable to the House, I would move third reading now.

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

The Senate adjourned during pleasure.

THE ROYAL ASSENT

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

An Act respecting The General Missionary Society of the German Baptist Churches of North America, and to change its name to The North American Baptist General Missionary Society.

An Act for the relief of Pinnie Rosenhek Leopold.

An Act for the relief of Joseph Ulric Edouard Burns.

An Act for the relief of Goldie Anker Lazanik.

An Act for the relief of Adélard Bélanger.

An Act for the relief of Alice Robert Rajotte.

An Act for the relief of Frances Eleanor Campbell Coleman.

An Act for the relief of George Igaz.

An Act for the relief of John William Frank Draper.

An Act for the relief of Sam Sokoloff.

An Act for the relief of Léon LeBrun.

An Act for the relief of William Taffert.

An Act for the relief of Belle Bailey Leibovitch.

An Act for the relief of Gertie Shulman Friedman.

An Act for the relief of Sarah Slutsky Shapiro.

An Act for the relief of Jessie Dickson Mackie Toy.

An Act for the relief of Angele Pauline Edgar Marie Lambert Choux.

An Act for the relief of Margaret Kathleen Hollenbeck Fortin.

An Act for the relief of Hulda Van Koughnet Lynch-Staunton.

An Act for the relief of James MacMillan McHale.

An Act for the relief of Vernon Ross Aiken.

An Act for the relief of Frederick Richard Channon.

An Act for the relief of Ernest Charles Hazard.

An Act respecting The Naval Service of Canada.

An Act to provide regulations enabling Canadian War Service electors to exercise their franchise, and Canadian prisoners of war to vote by proxy, at any general election held during the present war, also to provide amendments to The Dominion Elections Act, 1938, consequential to such regulations, or made necessary by the advent of the said war.

An Act to amend the Salaries Act.

An Act to amend The Transport Act, 1938.

An Act to establish a Department of National Health and Welfare.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

The House of Commons withdrew.

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

The sitting was resumed.

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

THE SENATE

TUESDAY, July 25, 1944.

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

Prayers and routine proceedings.

CANADIAN HISTORY—UNIFORM TEXT-BOOK

QUESTION OF PRIVILEGE

On the orders of the day:

Hon. L. M. GOUIN: Honourable senators, I rise to a question of privilege. I wish to refer to an article published in Le Devoir of July 21, under the title, "Le débat sur la motion David." Without questioning the good faith of the journalist who tried to sum up my remarks, may I say that his summary is not accurate. Of course I spoke in favour of developing a truly Canadian patriotism, but I did not say that "La proposition du Sénateur David est un moyen d'y arriver." I have not used any words at all in favour of the motion for a uniform text-book of history; on the contrary, following our colleague from Grandville (Hon. Sir Thomas Chapais) I explained that in my opinion it was impossible to prepare a uniform text-book, because there was no agreement even on fundamental principles. I have not advocated in any way the publication of a uniform abridgment of Canadian history, or, to use the words of Le Devoir, " . . . de limiter la portée du manuel projeté." I have simply recommended teaching and education in citizenship, and the preparation of handbooks on civics by our various provincial authorities, which is quite a different thing.

To sum up, if a vote had been taken—and I previously informed my honourable colleague from Grandville of my intention—I certainly should have voted with him, and against the motion.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. COPP, acting Chairman of the Standing Committee on Divorce, presented the following bills, which were severally read the first time:

Bill M5, an Act for the relief of Ruth Usher Garson.

Bill N5, an Act for the relief of Albert Daniel Joseph Doherty.

Bill O5, an Act for the relief of Rosie Vogel Blatt.

Bill P5, an Act for the relief of William McKenzie White.

Bill Q5, an Act for the relief of Zoe Irene McFarland Craig.

SECOND READINGS

The Hon. the SPEAKER: When shall said bills be read the second time?

Hon. Mr. COPP: If there is no objection, as we are getting near the end of the Session, I would ask that they be given second reading now.

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

The Hon. the SPEAKER: When shall said bills be read the third time?

Hon. Mr. COPP: Next sitting.

AERONAUTICS BILL

DEBATE CONTINUED ON MOTION FOR SECOND READING

The Senate resumed from Thursday, July 20, the adjourned debate on the motion of Hon. Mr. King for the second reading of Bill 133, an Act to amend the Aeronautics Act.

Hon. JOHN T. HAIG: Honourable senators, I shall not take very long to say what I have to say about this Bill. We have had in Canada a great many struggles over the regulation of travel or the means of travel by water, by road and by railway, and now we have come to the fourth dimension, if I may use that term—by air. Those of us who live in Western Canada will remember that there was not as much contention over rates for traffic by water and by highway as over rail rates. After a long and fierce struggle we succeeded in having created in this country a board for dealing with questions of transport by rail and other railway matters in which the public were interested. That led finally to the establishment of the Board of Railway Commissioners, who were appointed for a definite period of time, and a good deal of law has been built up around that organization.

I have read this Bill through four times, and I want to say candidly that on every successive reading my disappointment increased. What the Bill proposes is certainly a retrograde step. From start to finish it places all the power in the hands of one man, the Minister. Now, I do not know who that man will be, and I am certain that no one in this House knows who he will be. It assuredly will be no member of the present Government; it may be no member of the present Parliament. Nobody can say who the Minister will be.

I strongly deprecate the placing of so much power in the hands of one man, whether it is done under this measure or any other. For the last twenty years or so there has been a tendency in this country to give by statute a great deal of power to boards and individuals whose

actions do not have to be submitted to Parliament for approval. I am not complaining now about the large number of Orders in Council—more than 40,000—that have been passed under the War Measures Act, nor about the more than 400,000 orders that have been issued by boards appointed under those Orders in Council. It is disappointing to see that kind of thing done in a democracy, and it is just being continued by this Bill. Such legislation only leads to the exercise of arbitrary powers. If our friends or enemies—whichever you care to call them—the C.C.F.-ers should get into power, this is the very type of legislation they would like, since it would not require them to come to Parliament for authority to act. I have several times objected to bills of this sort, and I object very strongly to this particular Bill.

I am not going to indulge in criticism of members in another place, but I do say that the opinion is widely held that years ago truck and railroad transportation in this country should have been co-ordinated. This legislation runs directly opposite to that opinion, its purpose being to separate transportation by air from railway transportation. I think that is a mistake. There should be co-ordination rather than separation. If you want to travel east or west by aeroplane, naturally you go to Canadian National Railways ticket offices for information. If you want air transportation to the far northern parts of Canada, of course you make inquiries at the ticket offices of the Canadian Pacific Railway.

It was suggested by a member of the Government in another place that when our airmen came back from overseas they should organize air transportation companies. I presume many honourable members have sons fighting for Canada. I know something about our boys in the Air Force. I cannot imagine any worse suggestion than that on demobilization they should engage in civil aviation. It takes a good deal of capital to establish an air transpost system. Undoubtedly Trans-Canada Air Lines and Canadian Pacific Air Lines would be glad to secure the services of many of these young men, and I am confident that those with ability would rise rapidly in either organization, but I fear that, starting out for themselves, few of those young men would be successful.

Let me examine the principal sections of the Bill.

Section 9 reads:

> Subject to the directions of the Minister, the Board shall from time to time make investigations and surveys relating to the operation and development of commercial air services in Canada and relating to such other matters in connection with civil aviation as the Minister may direct.

Control is vested entirely in the Minister. He may direct the Board to make inquiries whether, say, it is feasible to have an air-line service from Winnipeg to Petrograd or to Stalingrad, or to Tokio. I do not object to that; but I do object to the absolute control of the Minister over domestic commercial aviation.

Section 10 deals with recommendations:

> The Board shall from time to time make recommendations to the Minister with reference to any investigation or survey made by it and shall advise the Minister in the exercise of his duties and powers under this Act in all matters relating to civil aviation.

Section 11 provides for regulations:

> Subject to the approval of the Governor in Council, the Board may make regulations—

Then follows a list of matters with regard to which regulations may be made.

Section 12 has to do with the issue of licences. Subsection 1 reads:

> Subject to the approval of the Minister, the Board may issue to any person applying therefor a licence to operate a commercial air service.

Passing over the next two subsections, I would direct the attention of honourable senators to subsection 4:

> The Board shall not issue any such licence unless and until an operating certificate has been issued by the Minister to the operator of the proposed commercial air service—

It will be observed that the Board cannot issue a licence unless the operator has first secured the consent of the Minister. Therefore the Minister controls absolutely.

Hon. Mr. KING: But he must report to Parliament.

Hon. Mr. HAIG: Yes, but that does not help the prospective operator. In the meantime the Minister may have refused his consent. Suppose Canadian Pacific Air Lines want to get a permit, and the Minister says no.

Hon. Mr. KING: Would you prefer that the Board should act?

Hon. Mr. HAIG: Certainly. The whole thing should be under the control of a board, and appeal from its decision should be to the Governor in Council.

Now subsection 8:

> Where the Board refuses to issue a licence, issues a licence which differs from the licence applied for, or attaches conditions to which the applicant objects, an appeal may be made—

To whom?

—to the Minister.

What control has the Board got? Absolutely none. You cannot obtain a licence unless the Minister says so; and even after the licence is granted the Minister may cancel it.

Subsection 10 provides:

> Any air carrier whose licence has been so cancelled or suspended may appeal—

To whom?

—to the Minister.

If the Minister has not got you coming and going, I do not know what language could give him more absolute control. I say without fear of contradiction that the establishment of an Air Transport Board, which is the ostensible purpose of this Bill, is pure, unadulterated camouflage; for when you examine the Bill you are driven back to but one conclusion—that the Minister, and the Minister alone, is the man who will have control.

Hon. Mr. KING: As he should have.

Hon. Mr. HAIG: I doubt it.

Hon. Mr. HORNER: Why have a board, then?

Hon. Mr. KING: The Board is, of course, an advisory board.

Hon. Mr. HAIG: Yesterday the Minister of Labour said over the air that he intends to appoint a committee to investigate cartels and patent arrangements. A similar course could be followed under this Bill. Experts could be instructed to investigate and report whether, for instance, it would be feasible to establish an air line from Winnipeg to White Horse. But no; that is not why a board is mentioned here. The establishment of this Board is, as I have said, pure, unadulterated camouflage, because the Board will have no power; the Minister will be supreme.

Hon. Mr. FOSTER: Except that the Minister has the facts presented to him by the Board.

Hon. Mr. HAIG: Yes; but he could get the facts from any committee he might care to set up. I would suggest to my honourable friend opposite (Hon. Mr. Foster) that it would be better to have an independent report on each case than to have a board sitting all the time, knowing that it was entirely subordinate to the Minister.

Some Hon. SENATORS: That is right.

Hon. Mr. HAIG: You would be far better off with an independent board, because life being what it is the members of such a board would take their duties seriously. I may be reminded that the Bill gives the right of appeal from the Board to the Supreme Court of Canada. But what is the appeal to be about? Honourable members will note on reference to section 18 that the right of appeal is limited solely to questions of jurisdiction or of law. That is all. There is no other appeal.

I have given the principal sections; the other sections are merely subsidiary.

I submit that the Bill should not be passed at this time, since in any event it is not intended to be brought into operation until after the termination of the war in Europe. This is evident from section 14:

> Every licence issued under Part III of The Transport Act, 1938, or under Part VII of The Air Regulations, 1938, prior to and in force at the time of the coming into force of this Part shall be deemed to be a licence issued under section twelve of this Act, but every such licence, if not cancelled or suspended by the Board under section thirteen of this Act, shall cease to be valid on or after the termination, as fixed by Order in Council, of the war in Europe which commenced on the tenth day of September, one thousand nine hundred and thirty-nine.

This clause indicates that, except for the setting up of certain machinery, there is really nothing to be done until a year after the end of the war, as fixed by Order in Council. This being so, we do not now need this legislation. And I am persuaded that after the coming general election the Senate would never pass such a bill.

Hon. Mr. KING: You are prophesying.

Hon. Mr. HAIG: Yes, I am prophesying. I will repeat my prophecy. I am sure that if after the next general election the then Government brought in a similar Bill we would never pass it, because we should be afraid of putting too much power in the hands of one Minister. If democracy means anything it means control by Parliament, not by a Minister. It would be bad enough to provide for an appeal to the Governor in Council. But there you have from fifteen to eighteen persons, including the Prime Minister, acting as an appellate body. I am one man who believes in our Prime Ministers. It does not matter how much I may differ with any Prime Minister's policy, I have very great respect for the men who have been the Prime Ministers of this country, and I would trust a Prime Minister more than anybody else. But in an appeal to the Governor in Council you would not have to trust the Prime Minister alone; you would have the advantage of having your appeal considered by all the members of the Government. This Bill should go at least that far, and the right of appeal from the Board to be appointed should be to the Governor in Council, not to the Minister alone.

Honourable senators, I think we shall be making a retrograde step if we pass this Bill, and I believe we shall regret our action in the years to come. By passing such legislation we are drifting away from our democratic system into the system brought about by war conditions. Under the stress of war we have given the Government arbitrary powers. You have never heard me raise my voice in this House against anything the Government was doing under those powers. Why? I did not always agree with what was being done; sometimes I strongly disapproved; but I did not express my disapproval because I felt it was vitally necessary that we should give our whole energies to Canada's war effort. That consideration was supreme. But, as I have pointed out, this Bill is not intended to come into operation until after the war, and in the meantime there will be opportunity for full investigation of the best means of developing and controlling commercial aviation in this country. I repeat, I believe this Bill is a mistake, and therefore, I submit, it should not be passed.

Hon. G. P. CAMPBELL: Honourable senators, I know my honourable friend from Winnipeg (Hon. Mr. Haig) is quite sincere in his argument, and I agree with him that preservation of the right of appeal should be very carefully considered when the Bill goes to committee. But I suggest to my honourable friend that already this session he has, in effect, voted in favour of withdrawing commercial air services from the jurisdiction of the Board of Transport Commissioners. Last Thursday this House gave Bill 101, an Act to amend the Transport Act, 1938, second and third readings, and there was no protest from any honourable member.

Hon. Mr. HAIG: That legislation only comes into force on proclamation by the Governor in Council.

Hon. Mr. CAMPBELL: The Bill which was passed—

Hon. Mr. HAIG: Am I right?

Hon. Mr. CAMPBELL: —into law repeals Part III—

Hon. Mr. HAIG: Only when it is proclaimed by the Government.

Hon. Mr. CAMPBELL: Yes. But I am merely saying that the members of this House passed without protest Bill 101 which, in effect, takes away all the powers vested in the Board of Transport Commissioners to deal with transportation by air. It may have been an oversight on the part of my honourable friend that he did not object to that Bill, and at any rate I am willing to concede that what happened does not in any way detract from the force of his argument.

I believe that the honourable gentleman, in commenting upon the arbitrary powers which this Bill vests in the Minister, is more fearful than the circumstances warrant. The Air Transport Board to be established under this Bill is for the purpose of studying domestic and international air problems. I feel all members will agree with me that there is need for very careful study of those problems. I do not think the honourable senator from Winnipeg, or any other honourable member who has practised before the Board of Transport Commissioners, feels that it is equipped to make the extensive studies necessary for the purpose of advising the Government with respect to air transportation.

I believe that in introducing this Bill the Government is seeking to preserve aviation rights for the benefit of the people of Canada generally. One should consider just what has taken place with respect to the development of air transportation in this country. The Government took the lead in establishing air schools in 1927, in constructing aerodromes across the country, and in 1937 introduced the Bill which set up Trans-Canada Air Lines. And may I say in passing, that at that time Canadian Airways, the largest company engaged in air transportation in this country, and the C.P.R., another of the big transportation companies, were asked to join in the enterprise; but before final decision was made as to the set-up, Canadian Airways and the Canadian Pacific Railway decided not to join, protesting that they did not wish to have on the Board three directors appointed by the Government.

The honourable senator from Winnipeg has said that this House would not be likely to pass this legislation if it were to be introduced after the next general election. No one can prophesy what the result of that election will be. It may be that my honourable friend is more pessimistic than some of the rest of us. Nevertheless, may I suggest that we should remember that many of the developments in air transportation have been made at the expense of the Canadian people. When the transcontinental system was set up an effort was made to have private enterprise join Government enterprise, and I feel that in the future development of air transportation in this country there must be a partnership between private enterprise and Government enterprise.

May I now, for a moment or so, deal with one or two of the arguments raised by the honourable senator from Winnipeg? His chief

argument was levelled against placing too much power in the hands of one man. I have in the past spoken as he has against such a policy. But we have it in other statutes. There is a precedent for it in the Income Tax Act, where the appeal from the assessment, in the first instance, is to the Minister. We all realize that in many cases such appeals have been successful. Therefore I do not think it is proper in this case for the honourable gentleman to suggest that the Minister who would hear the appeals would not consider them honestly and fairly.

Hon. Mr. HAIG: May I ask my honourable friend a question. Is this appeal exactly the same as the Income Tax appeal?

Hon. Mr. CAMPBELL: In the first instance.

Hon. Mr. HAIG: Oh, yes; but in the second instance?

Hon. Mr. CAMPBELL: In the second instance, the appeal to the Supreme Court of Canada is provided for in practically the same language as is the appeal to the Supreme Court from the Board of Transport Commissioners.

Hon. Mr. HAIG: But is there not an appeal from the Minister to the Exchequer Court?

Hon. Mr. CAMPBELL: There is.

Hon. Mr. HAIG: Yes. But there is not here.

Hon. Mr. CAMPBELL: But in the case of income tax, the first appeal is to the Minister or his delegated representative, who considers the facts. I submit that in a case of this kind, where there is an appeal from the decision of the Board to the Minister, it is not proper for any honourable member of this House to suggest that it would not be honestly and fairly considered. Whether there should be a further appeal or not is a question, I think, that should be fully considered when the Bill goes to Committee.

The Air Transport Board which it is proposed to set up would collect the facts and advise the Minister as to the course that should be followed. The Board would hear applications from various applicants for licences, and would recommend or report against the granting of such licences. Assuming that they recommend the granting of the licence, the recommendation goes to the Minister. It is true that under the provisions of the Act the Minister has power to say a licence shall not be granted. I for one do not quarrel with that authority. I believe it is quite proper that in the development of air transportation in this country, and in the use of air facilities which have been provided at the expense of the people, some representative of the Government should have power to say whether or not licences should be granted. In effect we have the same position with respect to applications to the Board of Transport Commissioners: in the final analysis it is not the Board of Transport Commissioners who decide whether a licence shall be issued or otherwise, but the Government. The Government still has control, and I think necessarily so, in regard to all forms of transportation. As far as transportation by air is concerned, I submit it is essential that the Government of the day should have control. It should say where the routes are to be established, what the composition of the routes shall be; and it is in that connection that the Board will make recommendations to the Minister, who will decide either to issue the licence or to refuse it.

Now, assuming that the Minister refuses to approve the actions of the Board, undoubtedly the question would be determined, or at least discussed, in Parliament or before the Cabinet. And again we have precedent, I think, for power being vested in the Minister. Under the provisions of the Excess Profits Tax Act an advisory board has been set up whose actions are subject to the approval of the Minister; and I am sure that no one has had reason to complain.

My honourable friend has referred to transportation by road. We have in all the provinces boards which are really nothing more than advisory boards dealing with the granting of licences to those entitled to engage in highway transport. Here you have the same sort of board to advise the Minister with respect to the issuing of licences, and the rules and regulations relating to transportation by air. In the case of transportation by highway within the provinces it is the Government, or the representative of the Government in the person of the Minister of Highways, who lays down the policy to be followed by the Board with respect to the granting of licences, and who has power to either refuse or accept the recommendations of the Board.

Hon. Mr. HAIG: Is that true in Manitoba?

Hon. Mr. CAMPBELL: I was speaking of Ontario.

Hon. Mr. HAIG: It is not true in Manitoba.

Hon. Mr. CAMPBELL: Well, I venture to say that those who have had the experience of obtaining licences in the province of Manitoba have many times found it necessary to go to the Government to get them.

Hon. Mr. HAIG: No. I challenge that statement. There is an independent board that has power to grant or refuse, and it has never been over-ridden. It works very satisfactorily, too.

Hon. Mr. CAMPBELL: Well, that is not the case in all the provinces.

Now, speaking with respect to the appeal, the appeal lies to the Supreme Court of Canada on matters of jurisdiction. This, I submit, is in accordance with the provisions of the Railway Act, which provides:

An appeal shall lie from the Board to the Supreme Court of Canada upon a question of jurisdiction, upon leave therefor being obtained from a judge of the said Court upon application made within one month after the making of the order, decision—

and so forth.

An appeal shall also lie from the Board to such Court upon any question which in the opinion of the Board is a question of law.

The honourable senator from Winnipeg has dealt with one or two sections of the Bill, and I would refer to the Act as it now stands on the statutes to show that it requires the Minister to exercise certain powers. Section 3 of the Act provides that it shall be the duty of the Minister to do a number of things, including investigating, examining and reporting on all proposals for the institution of commercial air services within or partly within Canada or the limits of the territorial waters of Canada. Now, if I understand this legislation correctly, it is the framework for the setting up of a body, similar to the Board of Transport Commissioners, to deal with the problem of transportation by air; and I support the Bill on the ground that a special Board is justified in connection with the development of air transportation in this country.

In the United States they have a similar board under the name of the Civil Aeronautics Board. It is quite independent of the Interstate Commerce Commission, which deals with other forms of transportation. Honourable members will agree, I think that the development of air transportation in the United States has been soundly handled and administered. It has been kept closely under the control of the Government. It has been divorced from railways and from highway transportation, and from the Interstate Commerce Commission, which is an independent board such as the honourable senator from Winnipeg would have deal with aeronautics.

I distinguish between the three forms of transportation, and I say it is time this Parliament took action to preserve the rights of the citizens of this country in the matter of air transportation, to see that they are not exploited by independent lines in the post-war period, and that the people of Canada have an adequate transportation system. I support the second reading of the Bill, and the motion that it be referred to the Committee on Railways, Telegraphs and Harbours.

Hon. A. K. HUGESSEN: Honourable senators, I have only a few words to add to what my honourable friend from Toronto (Hon. Mr. Campbell) has just said. I was much interested in the remarks of the honourable the acting leader on the other side, and normally speaking I think I should be disposed to agree with him in deprecating too much power being given to any Minister or any Government department in cases where the internal administration of the country is concerned. But I do think that transportation by air, which my honourable friend referred to as the fourth dimension—a very adequate description—falls into a different category from ordinary internal matters which require to be dealt with by the Government of the country, and I fully agree that with respect to such matters it is not a good principle to give too much power to any Minister or any department.

I think it is essential that the Government should have a very large measure of control over transportation by air, for what I might perhaps describe as international reasons. It is becoming more evident day by day, as I am sure the House appreciates, what a vitally important part of the world Canada is going to be in international air transport after the war. Perhaps some honourable members saw a map of world air routes which was produced a few months ago by the National Geographic magazine. That map showed clearly, and made me realize for the first time, the tremendous significance of Canada's geographical position in international air traffic of the future. It showed, for instance, that the direct route for air travel from the North American continent to the whole of Europe, the whole of Asia and the whole of Africa—in fact, to any part of the world except South America—passes through this country. Because of Canada's position, if for no other reason, I think it is necessary that the Government of the day, no matter what its political complexion, should keep a closely effective control over the licensing and granting of air routes, both within the country and between this country and other parts of the world.

I turn to section 17 for support of the view which I have ventured to express. That section says:

The powers conferred by this Part on the Minister—

The word "Minister," which is objected to by my honourable friend from Winnipeg, appears here.

> The powers conferred by this Part on the Minister shall be exercised subject to any international agreement or convention relating to civil aviation to which Canada is a party.

The argument that the Government of the day should for international reasons keep a constant check upon the development of civil aviation might be pursued by saying that it is necessary for the Government to maintain constant control for military reasons also, because, after all, civil aviation is only one side of the shield, so to speak. Airports built for civil aviation are, in time of war, available for use by military airplanes.

Hon. Mr. LEGER: I cannot see how section 17 helps my honourable friend's argument at all, for that section makes the exercise of the Minister's power subject to international agreements and conventions. I think the effect of that is just the opposite of what my honourable friend is arguing.

Hon. Mr. HUGESSEN: I do not quite follow my honourable friend. What I was attempting to show, by reference to section 17 was that in drafting this Bill the Government had in mind the international implications of control over the air.

Hon. Mr. LEGER: Section 17 takes power away from the Minister.

Hon. Mr. HUGESSEN: I am afraid I do not quite follow the implications of that. What I was saying was that Government control over aviation is necessary, to my mind, from the point of view not only of international civil aviation, but also of military defence of the country. Although I quite agree with the honourable the acting leader on the other side (Hon. Mr. Haig) that normally Parliament should regard with a great deal of suspicion any attempt to give too much power to any minister or department, I do think that in view of the extraordinary importance of international air transport the powers conferred upon the Minister by this Bill are fully justified.

Hon. F. B. BLACK: Honourable members, I simply rise to point out to the House that the honourable senator from Toronto (Hon. Mr. Campbell) and the honourable senator from Inkerman (Hon. Mr. Hugessen) did not even attempt to defend the placing of sole control of the airways of this country in the hands of one man. I agree with the last speaker that it is necessary to give the Government supreme control over the air and air lines, but no individual should have that control. I feel sure that neither of my honourable friends opposite who supported the Bill could point to any other transport legislation in Canada containing provisions similar to those we find here. This Bill confers absolute power upon the Minister, and even the Governor in Council will have no control over his decisions. To that I object. If that feature were eliminated or changed I should support the Bill willingly, but I cannot agree with the placing of the supreme power in the hands of one person, whether he is a member of this Government or of any other Government that may hold office in future. In my opinion the principle is wrong.

Hon. J. A. CALDER: Honourable senators, the honourable the acting leader on this side (Hon. Mr. Haig) raised but one point, the question of the desirability of placing certain extensive powers in the hands of a single Minister of the Crown. To that objection there has so far been no reply that will stand on its feet. I am sure every honourable member of this House will agree that this is highly dangerous legislation. I have taken part in governments over a fairly long period of years, and I cannot think of any other instance where such power was ever given by law to any one Minister. The two honourable gentlemen opposite who spoke in support of the Bill mentioned a number of times how necessary it was for the Government to retain control, to keep a check on international agreements, and to do this and that. That is all right, but that is not the point. The point is whether or not this House should approve of handing over to a single minister full power in connection with aviation in Canada—I am leaving out the international aspect.

We all know what is meant by civil aviation in Canada. In addition to our main-line airways, there are lines in operation throughout the great north country. All our provinces, from Quebec clear through to British Columbia, are intensely interested in air power in that north country, and we already have had evidence, through the radio and the Press, of a fear that this legislation may not always be administered as the governments and the people of the provinces concerned may desire. I think the legislation is bad.

A further objection to the measure is that it fails to provide appropriate means for appeal from decisions of the Minister. That lack certainly should be made good. The Government lays down lines of policy, and hands the administration of that policy over to the Minister. The recommendations of the Air Transport Board, which is empowered to make certain investigations and surveys, are to be sent to the Minister, not to the Governor

in Council; they will never reach the Governor in Council at all, but will be rejected, confirmed or modified by the Minister alone. As has been said, if the Minister were required to submit his decision to the Governor in Council for approval, we should be on much safer ground. But there is no requirement of this kind in the Bill.

As I have said, we surely should provide for a proper appeal from any decision made by the Minister. Personally, I am opposed to that part of the Bill which places the whole power in his hands.

Hon. Mr. BLACK: May I ask the honourable leader if it is his intention to send this Bill to a committee?

Hon. Mr. KING: Yes. As announced the other day, I shall move that it be referred to the Committee on Railways, Telegraphs and Harbours.

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

COMMITTEE MEETINGS

On the motion to adjourn:

Hon. Mr. KING: Honourable senators, it is the intention to have a meeting of the Standing Committee on Finance at 11 o'clock to-morrow morning, for consideration of the Budget resolutions. The discussion will be interesting, and I hope there will be a good attendance at the meeting. I should like to extend an invitation to be present to all honourable senators who are not members of the committee. Departmental officials will be in attendance. As we are getting near the end of the session, it has occurred to me that by making inquiries in committee we could have some knowledge of the Supply Bill when it comes before us. That would facilitate its passage through the Senate.

The Standing Committee on Banking and Commerce is to meet as soon as the Senate rises this afternoon.

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

THE SENATE

WEDNESDAY, July 26, 1944.

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

Prayers and routine proceedings.

WAR EXCHANGE CONSERVATION BILL

FIRST READING

A message was received from the House of Commons with Bill 162, an Act to amend the War Exchange Conservation Act, 1940.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this bill be read the second time?

Hon. Mr. KING: Next sitting.

SPECIAL WAR REVENUE BILL

FIRST READING

A message was received from the House of Commons with Bill 163, an Act to amend the Special War Revenue 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.

JUDGES ANNUITIES BILL

FIRST READING

A message was received from the House of Commons with Bill 165, an Act to amend the Judges Act (Annuities).

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. KING: Next sitting of the House.

DOMINION SUCCESSION DUTY BILL

FIRST READING

A message was received from the House of Commons with Bill 166, an Act to amend the Dominion Succession Duty Act.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. KING: Next sitting.

DIVORCE BILLS

THIRD READINGS

Hon. Mr. SINCLAIR, on behalf of the Chairman of the Committee on Divorce, moved the third reading of the following Bills:

Bill M5, an Act for the relief of Ruth Usher Garson.

Bill N5, an Act for the relief of Albert Daniel Joseph Doherty.

Bill O5, an Act for the relief of Rosie Vogel Blatt.

Bill P5, an Act for the relief of William McKenzie White.

Bill Q5, an Act for the relief of Zoe Irene McFarland Craig.

The Hon. the SPEAKER: Honourable senators, is it your pleasure to adopt the motion?

Hon. Mr. DUFF: On division.

The motion was agreed to, and the Bills were severally read the third time, and passed, on division.

FIRST READING

Hon. Mr. SINCLAIR, on behalf of the Chairman of the Committee on Divorce, presented Bill R5, an Act for the relief of George Henry Olaf Rundle.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. SINCLAIR: Honourable members, this bill is based on what is expected to be the last report of the Committee on Divorce for this session. In order that the Bill may reach the other House without delay, I would, if it is agreeable to honourable members, move the second reading now.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. SINCLAIR: Honourable senators, with leave, I would move third reading now.

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

AERONAUTICS BILL

DEBATE CONTINUED—SECOND READING

The Senate resumed from yesterday the adjourned debate on the motion of Hon. Mr. King for the second reading of Bill 133, an Act to amend the Aeronautics Act.

Hon. J. E. SINCLAIR: Honourable members, during the discussion on this Bill yesterday I was impressed by the fact that the full powers conferred on the Minister by the Aeronautics Act of 1927 were continued under the Transport Act, 1938, and are still exercised by him. Now, the purpose of this Bill is to amend the Aeronautics Act by providing for the appointment of an Air Transport Board to advise the Minister on matters connected with the development of civil aviation, and to perform the functions of a licensing and regulatory body in respect of commercial air services. Before issuing a licence the Board must report to the Minister.

Hon. Mr. ASELTINE: The Board must get the Minister's approval before it can issue a licence.

Hon. Mr. SINCLAIR: Quite so, the Minister must first issue an operating certificate to the applicant.

It was suggested yesterday by some honourable senators that there should be a right of appeal from the Minister's decision to the Governor in Council. I would point out that under section 11 all regulations made by the Board are subject to the approval of the Governor in Council. The main objection is directed against the clause providing that the issue of licences shall be subject to the approval of the Minister. But I submit it is essential that this approval should remain in the hands of the Minister, for, in the last analysis, he will be responsible for the safety of aerial navigation.

I have given careful consideration to the amendments suggested by honourable members opposite, but further study of the Bill only tends to confirm my view that in its present form it is best calculated to bring about the most expeditious administration of all matters related to civil aviation. I submit that the adoption of their suggestions would, in effect, lead to a weakening of responsible government with respect to commercial air services. I should not like to see such a weakening take place, and therefore I feel it necessary not only that there should be a board to advise the Minister, but also that everything done by that Board should be subject to the Minister's approval.

Hon. J. H. KING: Honourable senators—

The Hon. the SPEAKER: I would point out that if the honourable leader of the House exercises his right to reply he will close the debate. Therefore if any honourable senators desire to speak to the motion, now is the time to do so.

Hon. Mr. KING: Honourable senators, when I moved second reading of this Bill a few days ago, I outlined its provisions. At the time I felt there would be considerable discussion on this important measure. That discussion took place yesterday, and I intend now to reply briefly to some of the criticisms then advanced.

My honourable friend the acting leader opposite (Hon. Mr. Haig) said he was afraid of what might happen under the one-man control to be conferred on the Minister. I hope that as I proceed I shall be able to dispel his fear and that of others in this regard.

My honourable friend expressed the view that the Board of Railway Commissioners—now the Board of Transport Commissioners—would probably be able to administer a measure of this kind. We know that the Board of Railway Commissioners was set up to co-ordinate railway transportation throughout Canada and that, as my honourable friend has said, a considerable body of law has been built up around its decisions. But I would remind honourable members that that Board was constituted at an entirely different phase of transportation. To-day we are in what I may term the age of air transportation.

He rather pooh-poohed the idea that the young men now engaged in our Air Force overseas would be able to take advantage of the provisions of this measure because their lack of capital would prevent them from competing in the field of civil aviation with men of means. I think his conception in that regard is wrong. We know personally many young men who to-day are in the fighting squadrons of the Air Force overseas, and who on their return will have at their command, either individually or jointly, sums of money large enough to permit them to organize themselves into companies and make application to the Minister for licences to operate air routes in this country. I am confident that they will organize, and I am sure it is gratifying to the members of this House and to the people of Canada generally that these young men will have such an opportunity.

The honourable gentleman indicated that the Board should be a body independent of the Government. I do not think he is really serious. We are to-day dealing with one of the most important questions in our political history: How can we best utilize the new mode of transportation for the benefit of our people? Surely we are not going to appoint a Board of three members, make them independent of Parliament, and say to them "You operate this show." That could not be the intention of my honourable friend opposite.

Hon. Mr. HAIG: That is not the situation of the Board of Railway Commissioners.

Hon. Mr. KING: I know it is not, but that is in accordance with the honourable gentleman's statement yesterday. He spoke of an independent board.

Hon. Mr. HAIG: The Board of Railway Commissioners is an independent board.

Hon. Mr. KING: No. It receives its power from the Government; it is regulated by the Government, and there are appeals from the Board.

Hon. Mr. HAIG: To whom is the appeal to be made?

Hon. Mr. KING: We have not reached that stage yet. We have not arrived at a time when we can definitely set out to an independent Board their duties in regard to the development of air service in Canada or the international service that will come to Canada.

My honourable friend from Toronto (Hon. Mr. Campbell) made a very excellent speech, upon which I congratulate him. I believe it was his first speech in this Chamber, and I know we were all pleased at his manner of address and the subject matter of his remarks. He indicated that in 1927 the Government passed an Aeronautics Act on the suggestion and advice of the Department of National Defence. At that time the Department of National Defence claimed that in the event of war the air arm would be of the utmost importance. We know, of course, that in 1926 and 1927 the people of Canada, along with the people of most other countries of the world, were of opinion that there would be no more war; consequently the suggestion which had been made was not received with a great deal of enthusiasm by members of the House of Commons or by the country generally. However, the Government proceeded to establish an air school at Trenton. During the war this school was greatly enlarged, and it has served a very useful purpose. The object in view in establishing this school was to give men military air training, if they wished, that later they might enter commercial aviation in Canada and serve in that field. That scheme was brought to an abrupt termination in 1932 or 1933, and we did not hear much more about air transportation in this country until 1936 or 1937, when the Government undertook to organize what is now known as the Trans-Canada Air Lines. That system was brought into being with great expedition and great ingenuity, and the Minister responsible for it is the father of the Bill before us to-day. I think it will be generally admitted that that development was one of great importance to the country as a whole, not only as respects civil aviation but military aviation as well. It also has given us very valuable experience.

My honourable friend opposite (Hon. Mr. Haig) rather indicated at the close of his remarks that there was no need for hurry, that the matter should be allowed to stand until after the war, inasmuch as the Government had proclaimed in the Bill that no activities would be undertaken and no licences would be granted until one year after the end of the war. Surely he cannot be serious in that suggestion. He knows, as all of us do, that there is a great problem which must receive

study and consideration, because eventually policies will be founded on that study and consideration. In 1943 the Prime Minister made a very excellent speech in the House of Commons, in which he indicated that the Government were thoroughly interested and sincerely anxious that air development, not only in Canada, but internationally, should receive the closest study, extending over a period of time. My honourable friend from Inkerman (Hon. Mr. Hugessen) yesterday developed that phase of the question very fully. Then, in addition to the statement of the Prime Minister this year, we had a statement from the Minister of Munitions and Supply emphasizing the importance of air transportation not only within Canada but internationally.

We know that the Government of Canada have been well to the forefront in the matter of transportation by air. Within the last few months conferences have been held between Great Britain, the United States and Canada regarding the establishment of air lines between those great countries after the war. Canada, as we know, holds a strategic position in relation to international air services throughout the world. Mr. Howe went to London and attended those conferences, and each country was asked to submit a plan. Canada has submitted a plan. The other countries have not yet done so. The Canadian plan was under consideration not long ago by representatives of Great Britain and the United States. At that time the American representatives thought the Canadian plan was not broad enough, and it was not considered further; but as the Minister has said, the plan is there, and when further consideration is given to the subject Canada will be represented. That being so, my honourable friend will readily understand the need for this Bill and for the setting up of the Board proposed by it.

The Bill itself is not long. It is, in fact, an amendment to the Aeronautics Act of 1927. I am going to touch on only two or three sections which already have been referred to by the honourable senator from Queen's (Hon. Mr. Sinclair).

In Section 2, "Minister" is defined as the Minister of Transport or such other Minister as the Governor in Council may from time to time designate. Section 3 sets out the duties of the Minister. In this connection I would point out that while paragraph (d) of Section 4 of the Act as it now stands gives power to the Minister to make regulations with respect to:

the conditions under which aircraft may be used for carrying goods, mails, and passengers, or for the operation of any commercial services whatsoever, and the licensing of any such services;

in the Bill before us the words "and the licensing of any such services" have been eliminated, and that matter is placed in the hands of the Board.

What has been said by my honourable friend, the acting leader on the other side, would lead one to believe that the Minister was being made all-powerful; but Section 7 shows conclusively that it is the Governor in Council who is to select the men who compose the Board. Furthermore, under Section 11, the rules and regulations formulated by the Board must be approved, not by the Minister, but by the Governor in Council.

Honourable members of this House who have had some experience in administering Government departments—and there are several of them—well know the limitations surrounding the activities of a Minister. To be a success, a Minister must secure and retain the confidence of his colleagues in the Government; he must also retain the confidence the Prime Minister bestows upon him at the time of his appointment to a position in the Government. From time to time during his administration the Minister must impress upon his colleagues the efficiency with which he administers his department, otherwise he will lose their confidence and his usefulness will be at an end. The Minister, as far as this Bill is concerned, is the intermediary between the Board that is to be set up and the Government. It is true that he may say, "You cannot grant that licence." But is not that true of every Minister at the head of a Government department to-day? The Minister must take the responsibility of saying "Yes" or "No". That is what ministers are for.

It has been said there can be no appeal from the Minister; but we are all aware that from time to time as a matter of practice there are appeals from ministers with respect to matters within their jurisdiction. If the members of the Board, who are the servants of the Governor in Council, find that their recommendations are not being accepted, and that the grounds for non-acceptance are not good, they will very soon discover a way of informing the Government of that fact, so that the Government may review the matter and decide upon it.

We must not forget that the tendency of to-day is to get away from government responsibility by the appointment of boards and royal commissions. In my opinion that tendency has gone too far. After all, the

Government, through their ministers, are responsible to Parliament, and Parliament is responsible to the people. It is provided in this Bill, therefore, that all regulations enacted under the Act shall be published in the Canada Gazette, and that if Parliament is sitting they shall be laid before both houses within ten days after publication. If Parliament is not sitting, they are to be laid before both houses within ten days after the next ensuing sittings thereof. As I have already said, in the practical working out of this measure the Minister is merely the intermediary between the Government and the Board that is to be set up.

We have as a guide the example of the great republic to the south of us, a country comparable with ours, which has found it advisable to dissociate air services from other forms of transportation. The Government feel that is a good example to follow. Experience may bring a change of view, but I believe that in all countries to-day there is a tendency towards close governmental control of air lines operating within the boundaries of the respective countries concerned and on international routes. The granting of a licence to an air line is a different matter from the granting of a charter to a railroad company which intends to put down steel and operate cars between given points; and it is different from granting a licence to a motor transport company to operate trucks and buses over highways. The matters that have to be considered in regard to the control of air traffic are in a class by themselves, and very careful supervision and control will have to be exercised by the Government.

As to the Board itself, it will be the desire of everyone that the Government should secure the most competent men obtainable for this important work. Many problems of which we are unaware to-day will come up for the Board's consideration.

Some objection was raised to the giving of power to the Minister to refuse licences, but I do not think anyone would hold to that objection after considering the Minister's responsibility. He will be responsible for seeing that every plane that goes out from Ottawa, Montreal, Toronto, or anywhere else in the Dominion is in charge of competent men, and that the appliances and methods used will provide the greatest possible safety for all who travel upon the air lines. So I say: If you want security, do not be afraid of giving the Minister responsibility. Place the responsibility where it should be: first on the Minister; then on the Governor in Council, who will report to Parliament; and Parliament will act in the best interests of the people.

I should like to see this Bill referred to the Standing Committee on Railways, Telegraphs and Harbours. In committee conversation and discussion can be carried on more freely, and if it is thought wise that some controls should be added to the Bill we shall be prepared to hear about them and consider them. In the meantime, I feel we are all quite well agreed that the Government are not acting too soon in taking steps for the study and consideration of this great problem of aeronautics, and that the very best men obtainable should be appointed to the Air Transport Board.

The motion of Hon. Mr. King was agreed to, on the following division:

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Honourable Senators

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Beaubien (St. Jean Baptiste)	Hayden
Blais	Hugessen
Bouchard	Hushion
Campbell	Johnston
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Chapais (Sir Thomas)	Smith
Fallis	Sutherland
	Tanner.—15.

Hon. Mr. MICHENER: Honourable senators, I was paired with the honourable senator from Lethbridge (Hon. Mr. Buchanan).

Hon. Mr. MARCOTTE: Honourable senators, I was paired with the honourable senator from Rougemont (Hon. Mr. Beauregard). Had I voted, I should have voted against the motion.

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 Railways, Telegraphs and Harbours.

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

THE SENATE

Thursday, July 27, 1944.

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

Prayers and routine proceedings.

PRINTING OF PARLIAMENT

REPORT OF JOINT COMMITTEE

Hon. G. V. WHITE presented the first report of the Joint Committee of both Houses on the printing of Parliament.

The Hon. the SPEAKER: When shall this report be considered?

Hon. Mr. WHITE: Next sitting.

WAR EXCHANGE CONSERVATION BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 162, an Act to amend the War Exchange Conservation Act, 1940.

He said: Honourable senators, the honourable gentleman from De Salaberry (Hon. Mr. Gouin) has kindly consented to explain this Bill.

Hon. L. M. GOUIN: Honourable senators, this is a short and simple Bill requiring very little explanation.

Because of the improved exchange situation it is deemed advisable to repeal sections 2, 3, 4, 5 and 6, of the War Exchange Conservation Act, 1940, and also Schedule I, thereto which prohibits the importation of certain goods from countries outside the sterling area.

Section 1 of the Bill effects this purpose.

Section 2 contains amendments, which are purely technical in character, to Schedule II. In this schedule the phrase "synthetic textile fibres or filaments" is substituted for the phrases "artificial silk," "artificial silk or similar synthetic fibres," and "artificial silk or similar synthetic fibres produced by chemical processes," wherever they appear in the tariff items set out in the section, except as to tariff item 558d, where the phrase "yarns of synthetic textile fibres or filaments" is substituted for "artificial silk yarns". These clarifying amendments are introduced at the suggestion of the Department of National Revenue and the Tariff Board. The items referred to and forming part of Schedule II will continue to be on the free list.

By section 3 of the Bill, as honourable members will note, the first section is not to come into force until the first day of August, 1944, while section 2 is to become operative as of the twenty-seventh day of June, 1944, the day after the budget speech.

Hon. Mr. MARCOTTE.

Hon. J. T. HAIG: Honourable members, those of us who attended the meeting of the Finance Committee this morning will have no difficulty in agreeing to this Bill, because there an official of the Department clearly explained the whole matter in very few words.

I appreciate the difficulty of the honourable gentleman who has just spoken (Hon. Mr. Gouin) in making clear the effect of the Bill to those who did not hear the explanation in Committee. It is this. There was a prohibition against buying goods outside the sterling area. The need for that prohibition has gone by, so we are now back to the situation which formerly prevailed. The official who appeared before us in Committee, told us that certain Orders-in-Council had been passed to prevent the importation of certain articles that could not be supplied in Canada and could not be controlled. Under this measure they will be free.

As to the word "silk," some said it should be "rayon;" others said it should be something else, and finally the definition appearing in the Bill was reached.

There is just one other point to which I should like to call attention. It has nothing to do with the merits of the Bill. If you look at the Bill you will see the letters "n.o.p." in some of the items. These do not appear important, but they mean a great deal, namely "not otherwise provided for."

I can see no reason why the Bill should not be passed.

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: Now, if there is no objection.

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

SPECIAL WAR REVENUE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 163, an Act to amend the Special War Revenue Act.

He said: Honourable members, the honourable senator from Toronto (Hon. Mr. Hayden) has kindly consented to speak to the second reading of this Bill.

Hon. S. A. HAYDEN: Honourable senators, this Bill embodies certain changes to be incorporated into the Special War Revenue Act. They occur chiefly by reason of depart-

mental or administrative experience, and in some instances represent what I would call a "tidying-up" of a number of unrelated sections having to do with penalties. If I might go through the sections and explain them briefly, I think the purport of the amendments will be easily understood.

We do not need to deal with Section 1. It is what I call the "tidying-up" section. It repeals a number of sections of the Special War Revenue Act as it now stands, and gathers them together in Section 6 of the Bill, which becomes Section 113 of the statute.

Section 2 applies to the fur content of garments and articles of fur imported. Last year we imposed a tax of 25 per cent upon furs dressed and/or dyed in Canada. Then this kind of situation arose: when a Canadian manufacturer of a cloth coat, let us say, used fur for the collar, that fur had already borne its portion of the tax which was levied at the time the fur was dressed and/or dyed; but when a dealer imported a cloth coat with a fur collar, the Department found it had no authority to levy a tax upon the fur. The amendment provided by section 2 authorizes the Department to impose the tax upon the fur content of garments imported.

Section 3 deals with the liability for retail purchase and entertainment taxes. Under the provisions of the Act luxury taxes have been levied upon the purchase of certain articles, and also on entertainment. For instance, if you have a meal in the Chateau Laurier grill at a time when there is music and dancing, your check is subject to a luxury tax. The number of people in Canada charged with the duty of collecting this tax is of course very large, and the businesses carried on by some of them is seasonal, the net result being, as experience has showed, that in many instances the tax is not collected. The only penalty the Department was able to have assessed against anyone for failure to collect this tax was apparently a fine of $25; but on the occasion with respect to which a person paid that fine he may have deprived the Government of revenue amounting to hundreds of dollars. This section makes the proprietor responsible for the tax, if he fails to collect it.

Section 4 simply brings into section 111 of the Act the penalties for failing to affix or cancel stamps; and section 5 repeals two subsections, whose provisions are included in section 6.

Section 6 is a compilation of a large number of provisions contained in different parts of the Special War Revenue Act. Most of these provisions are covered by the sections repealed by this Bill. The chief purpose of section 6 is to require persons responsible for the collection of the retail purchase tax and the entertainment tax to keep records. A certain discretion is given to the Department. For instance, if the Department is satisfied that a proper system of book-keeping is maintained by persons liable for collection of the entertainment tax, it may permit such persons to make a daily recapitulation and remit the tax on that basis; and, similarly, it may permit vendors of taxable merchandise to make returns on a weekly basis. That provision has been made necessary by a variety of circumstances. Some dealers were fearful of loss by theft if they kept a large supply of stamps on hand in advance of actual requirements.

Lawyers in the Senate will no doubt be interested in section 7, which permits the Minister to include a number of offences in one information or complaint. Strictly speaking, as the statute now stands, a separate information would have to be laid in respect of each customer from whom a vendor or proprietor failed to collect the proper tax. What the effect of this amendment will be, having regard to the fact that no corresponding amendment is made to the Criminal Code, is a matter that I suppose lawyers will work out some day; and the Department of Justice will then probably bring in an amendment to the Code.

Section 8 repeals a number of sections of the Act incorporated in section 6, to which I have already made reference. I dealt with the provisions of sections 9 and 10 when, in explaining section 6, I pointed out that discretion was given to the Department to permit persons liable for collection of the entertainment tax to make daily or weekly returns.

Section 11 relates to the excise duty on what is commonly known as soft drinks. The Act as it stands at present would make some bottled beverages, such as pure orange juice, subject to excise tax. The amendment exempts all bottled fruit juices, if at least 95 per cent of the product is pure fruit juice.

Section 12 deals with cigars. Apparently, prior to the imposition of the present levy upon cigars there used to be on the market a class of cigars selling at two for five cents. I understand from departmental officers that sales of cigars in that class accounted for 20 per cent of the entire cigar business in Canada, and that the manufacturers have contended that they cannot bear the present impost and continue sales at that price. Recognition is given to that argument about the two-for-five-cents cigar—whether that means it is to be an election cigar this year, I do not know—

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. HAYDEN: —and the excise is lowered.

Section 13 adds to the list of articles exempted from sales tax. Honourable members who were at the meeting of the Finance Committee this morning when we were dealing with amendments to the customs tariff, will recognize that baling twine is now exempted from sales tax. Binder twine is already exempted, and apparently baling twine is a similar commodity, only heavier, used for the baling of hay right out in the field. This section adds a considerable number of items to the already long list of things exempted from sales tax.

Section 14 provides that when the amendments set out in this Bill are given the force of law they shall have effect from the 27th of June, 1944.

Hon. G. P. CAMPBELL: Honourable senators, the remarks that I wish to make about this Bill would probably be better made in committee, if there is to be a reference to committee after second reading. At this stage I desire to direct the attention of honourable members to section 6, which repeals section 113 of the Act and substitutes a new section of the same number. Subsection (1) of the proposed new section reads as follows:

> Every person required, by or pursuant to this Act, to pay or collect taxes or other sums or to affix or cancel stamps shall keep records and books of account in English or French at his place of business in Canada in such form and containing such information as, in the opinion of the Minister, will enable an audit to be made to establish the amount of taxes or other sums that should have been paid or collected or the amount of stamps that should have been affixed or cancelled.

The words that offend me are, "in the opinion of the Minister." It seems to me that those words could be dropped without in any way weakening the requirement that persons responsible for the collection of the tax shall keep a proper set of books from which an audit can be made. Let us suppose that a person keeps records which in his opinion are sufficient, and which, in the opinion of a court of law before which he is ordered to appear, would be sufficient to enable him to make a proper accounting to the court of the money that he has collected or that he is required to pay. That would not save him from a conviction if his books were not satisfactory to the Minister. There would be the possibility of a man satisfying the court, but not being able to satisfy the Minister. In some cases the Crown has been known to come forward and say that the provisions of the statute had not been complied with, because the Minister was not satisfied, and therefore a penalty was payable. As I say, I do not think the object of this section would be in any way weakened if the words to which I object were eliminated; and if it is proper for me to do so, I would move that section 6 be amended by striking out from subsection (1) of new section 113 the words "in the opinion of the Minister."

The Hon. the SPEAKER: I would point out to the honourable gentleman that his amendment is not receivable on the motion for second reading. His remarks may be taken as a notice of amendment to be moved in committee.

Hon. Mr. KING: I may say about this Bill, as my honourable friend opposite (Hon. Mr. Haig) said about another, that we got a little out of step in committee this morning. When we found that the Bill had already been passed in the other House and sent over to the Senate, we proceeded to consider it, without having given notice to the committee. As His Honour the Speaker has just ruled, my honourable friend from Toronto (Hon. Mr. Campbell) will have an opportunity of moving his amendment when the committee meets again.

Hon. Mr. HAIG: Is it desired to give third reading to the Bill to-day?

Hon. Mr. KING: No. I intend to move that it be referred to committee.

Hon. Mr. HAIG: In view of that fact, I shall not say very much about the Bill. All who were present at the committee were fully satisfied, I feel sure, with the explanation of every section as given by Mr. Sim.

The explanation given to us in committee by the departmental officials concerned was very helpful in clarifying the various amending sections. The main purpose of the Bill is to provide machinery which will make it easier to collect the new forms of taxation imposed during the war years. For instance—if I may mention the grill room of the Chateau Laurier —I do not think it was ever necessary to have detectives in attendance to see that proper stamps were affixed or cancelled in the conduct of business. The hotel management and the Department worked out an arrangement satisfactory to all concerned. However one can visualize certain places where it would be necessary to insist on the proper stamps being affixed or cancelled immediately. Personally, I am in favour of the Bill, but I do not object to its being referred to the Banking and Commerce Committee. I would suggest to honourable senators, especially to lawyer members, that whether they are on the committee or not they attend its meetings, because this legislation is mainly legal in character. There is, I think, no dispute as to the principles under-

lying the Bill. The only question is whether it will operate fairly as between the Government and the individual.

Hon. Mr. MacLENNAN: Subsection 5 of section 6 provides that the Minister may prescribe the form of, and the information to be contained in records or books of account to be kept under subsection 1. Would it not be advisable to have a standard form? This would remove the objection of the honourable senator from Toronto (Hon. Mr. Campbell).

Hon. Mr. HAYDEN: The honourable senator from Toronto has raised a point on subsection 1 of the new section 113, which may make it necessary to refer the Bill to the Committee on Finance.

May I refer to subsection (5):

If a person required by subsection one of this section to keep records or books of account has not, in the opinion of the Minister, kept adequate records or books of account, the Minister may prescribe the form of, and the information to be contained in, records or books of account to be kept by such person under subsection one of this section.

It is not unusual to empower a department to require such information for the purposes of audit.

The penalties set forth in subsection (6) are imposed on failure to keep records or books in the form directed by the Minister. Subsection (8) gives the Minister power to make an assessment where the records are not properly kept. There does not appear to me to be anything unusual or extraordinary in the powers which this section confers on the Minister. However, in view of the objections raised, I would suggest that after the Bill has been given second reading it be referred to the Finance 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 Finance.

JUDGES ANNUITIES BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 165, an Act to amend the Judges Act (Annuities).

He said: Honourable senators, the honourable member from Vancouver South (Hon. Mr. Farris) has been kind enough to intimate to me that he will speak to this Bill.

Hon. J. W. deB. FARRIS: Honourable senators, this Bill is all right so far as it goes—but it does not go very far. I think I was asked by my honourable leader (Hon. Mr. King) to speak to it in the hope that it would keep me quiet.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. FARRIS: Under the present law, a judge on retirement is entitled to a pension. However, no provision is made for his wife, and on the death of her husband she gets perhaps one month's salary; that is all. In more than one case great hardship has resulted—hardship that reflected not only on the comfort and enjoyment of the widow, but also, in the opinion of most lawyers and judges, on the State itself.

This Bill does not meet the situation at all in regard to those who are now widows of judges; they are not within the Bill. However, it does deal in a makeshift manner,—I think I may fairly say—with the wives of present judges. For instance, a judge of the Superior Court receives a salary of $9,000. Under the Judges Act he is entitled on retirement to a pension of $6,000. Under this Bill he may make an election, an irrevocable election, before the first day of November as to whether he will divide his pension with his wife.

Hon. Mr. HAIG: This year.

Hon. Mr. FARRIS: He must elect this year. In the case of a new judge, he may elect within ninety days of his appointment. He may decide to allow the law to operate as it always has operated, and on retirement he will enjoy a pension of $6,000 a year, ceasing at his death. On the other hand, he may elect to take advantage of this amending Bill and divide his pension with his wife. Thereupon he will receive a pension of $4,000 a year on retirement, and his wife will receive $2,000 a year. On his death she will continue to receive the $2,000 a year during her lifetime. If the judge dies while still serving on the Bench, his widow will receive $2,000 a year, or two-ninths of his annual salary. In the one case the State is relieved of all obligation on the death of the judge; in the other case there will be a contribution until the death of both. As was explained in the other House, the change, based on the expectation of life, will make practically no difference to the treasury. If anything, it will make such a very slight increase that in the opinion of the treasury officials the amount will be negligible.

Hon. Mr. HAIG: Suppose a judge elects to take his superannuation under this Bill, but before his retirement his wife dies, would he still get a pension of $4,000 only?

Hon. Mr. FARRIS: Yes. There is another question—

Hon. Mr. HAIG: There is.

Hon. Mr. FARRIS: Supposing his wife dies and he re-marries. As I figure it out, the second wife might not be entitled to the superannuation; it would die with the first wife. If that is so, I think further consideration will have to be given to the matter at another session.

Hon. Mr. HAIG: What about the wives of judges now on superannuation?

Hon. Mr. KING: Those judges can make election.

Hon. Mr. HAIG: Is that clear?

Hon. Mr. FARRIS: I do not know the answer to that question. It does not seem clear from the discussion in the other House.

Hon. Mr. HAIG: That is what I was going by.

Hon. Mr. FARRIS: It should be.

Hon. Mr. HAIG: Yes.

Hon. Mr. FARRIS: County Court or Circuit Court judges who have served less than five years at the date of their retirement receive only one-third of their salary instead of two-thirds. Their widows will each receive an annuity equal to one-ninth of the salary of their husbands at the date of death.

Hon. Mr. HAIG: Will the honourable gentleman kindly explain subsection (2) of section 26A.

Hon. Mr. FARRIS: The section reads:

> His Majesty may grant to the wife of a judge to whom an annuity is granted under subsection one of this section an annuity equal to one-half of the annuity granted to the judge to commence with the first payment of the annuity to the judge and to continue thenceforth during her natural life.

Hon. Mr. HAIG: If the judge elects. It cannot be done de novo?

Hon. Mr. FARRIS: Oh, no. As I see it, that enables His Majesty to make provision for payment to the wife, if the judge has elected to that effect. I do not think there is any doubt about it.

Hon. Mr. HAIG: All right.

Hon. Mr. FARRIS: Honourable senators, while I am confident we are all in favour of this Bill, I think its proper consideration really involves not only what is in it, but what is not in it. Honourable members of this House know—at least the lawyers do—

that the Minister of Justice was at one time President of the Canadian Bar Association; and that association has had this matter under consideration for a number of years. I think we will agree that he is aware of hardships that have arisen in the case of judges' widows, and is in sympathy with them and with the judges, who have suffered by reason of the inadequacy of their salaries. But he has stated, and I think we shall have to accept it, that after full consideration the Government has decided as a matter of policy that additional demands upon the public treasury in relation to judges' salaries, and increased pensions will not be allowed during the present war.

Hon. Mr. KING: The time is not opportune.

Hon. Mr. FARRIS: No.

While, as I say, I think we shall have to accept this situation, speaking for myself I am not prepared to accept the reasons that are being advanced in support of it by some newspapers and by various organizations and others throughout the country who, from time to time, have discussed this question. They seem to base their argument on the ground that many judges are getting enough. That may or may not be so. But that is not the issue that ought to be considered. The issue which ought to be considered in connection with the whole problem of the administration of justice is one of public welfare. We hear a great deal at times about British justice and its administration as inherited by us in Canada. It is now Canadian justice; and not only the lawyers but the public generally are proud of it and boast of it. Yet I have the feeling at this time that there is not a full enough realization of just what British justice has meant in Great Britain and other parts of the Empire during the centuries, and I am not sure that there is an entire appreciation at this time of the danger that something may be lost in this country in connection with the administration of justice. I say that when we are considering this question we should ask ourselves: Is the policy of the Government, is the policy of Parliament, in the interest of public welfare?

In the first place, in looking at this question I think honourable members of this House should study it from the standpoint of existing tribunals apart from the courts. There are what we term administrative tribunals, having semi-judicial authority. Sometimes there are appeals from these tribunals to the courts, both on questions of law and of fact, and sometimes there is a denial of the right to appeal. There is a great difference between

these tribunals and the courts of justice. I often think laymen overlook the fundamental difference between tribunals performing administrative duties and the courts, which are performing strictly judicial duties.

Let me give an illustration. In a private organization a man is hired at, say, $200 a month, and there is provision for a month's notice in the event of his dismissal. Now, the head of that organization may have heard rumours about this man, or someone whose opinion was respected may have come in and said: "This man is living beyond his income. I cannot prove that he is dishonest, but the circumstances are suspicious." The head of the organization may then decide that it is not in the company's interest to keep this man, and write a letter of dismissal, and pay $200 in lieu of a month's notice. That is strictly an administrative act. The man who makes the decision that the employee should be dismissed under these circumstances is entitled from a business point of view to consider only the interests of the business. If he thinks it is in the interest of the business to do so, he may say, "I do not want you any longer." On the other hand suppose the employer says: "We will dismiss that man on the ground that he is dishonest, and we will not pay him the $200 in lieu of notice." Once that situation arises you enter the field of contractual relations between employer and employee, and the employee is entitled to go to the courts to have his case decided on strictly judicial principles, because individual rights are now involved. There is a contract and a charge of dishonesty. Justice demands a trial.

That illustrates the fundamental distinction between administrative bodies and judicial bodies; and one of the dangers that I see—it existed long before the war, but has been very much aggravated since—is the tendency to mix up administrative bodies, which consider only matters of administration, and judicial bodies, which must give paramount consideration to justice and to the rights of the individual, and render decisions in accordance with principles of justice which this country and the Mother Country have developed over the years of growth of our social and political institutions. Now, I say that if these principles of justice in our courts are to be maintained, we must first have the ideal before us, and secondly, we must give it practical effect. That means that the ideal must be supplemented by efficiency. The basis of efficiency is competent judges, and you cannot have competent judges to administer justice unless you have competent lawyers to fill positions on the Bench.

I have heard in many quarters the statement: "Well the judges do pretty well. They get good salaries." We still have the capitalist system in this country; it is hobbling along—

Hon. Mr. KING: It is doing quite well.

Hon. Mr. FARRIS: It is not the free system it once was—I am not sure it should be—but it is still the capitalist system and it still carries with it the element of competition, the basis of which is that the man who is most efficient in business will best succeed. The same principle is applicable to the professions: the men who are the most highly trained, the most efficient and the most competent, will get the greatest awards. As long as that principle exists, the efficient, capable lawyer is bound to receive the highest rewards of his profession, and he is just as much entitled to do so as is the business man, the engineer or the doctor. As a matter of fact, I think he is more entitled to those rewards than the doctor, because the average income of the doctor is higher than the average income of the lawyer. As a rule the lawyer only becomes successful in the large centres where the competition is keen, whereas the medical profession demands the same services and offers the same opportunities in the smaller places as in the large. Consequently, as I say, the average income of the doctor is very much higher than that of the lawyer. As a matter of fact, I have seen figures—I do not remember them exactly—which show that in the city of New York the average income of a lawyer is about $600. That shows what extremes there are in the profession.

I am not defending the lawyers. I am discussing this question from the point of view of recognizing that under the capitalist system, the competitive system, the good lawyers are bound to receive substantial incomes. Therefore, if the State expects to secure as judges men whose incomes are commensurate with those of the best doctors and engineers and the most competent business men, it must pay salaries which bear some relation to what these men would earn in private life.

More than once the question has been asked, "Why should there be pensions for judges when such inadequate provision is made for old age pensions?" That, of course, shows an entire mis-appreciation of the situation. In the one case the pension is a part of the remuneration of a man who, when he is engaged, has to put aside all his private transactions and activities to go on the Bench, and who in making provision for his family after his death will be dependent on his salary alone. The pension is part of his remuneration. That is a very different proposition from the old

age pension, which is furnished by the State, not by way of contract, but by way of a contribution to people who have arrived at a certain age and are no longer capable of looking after themselves. That is not remuneration; it is contribution.

Honourable senators, I have raised this discussion not with any idea of an immediate change, but in order that honourable members of this Chamber, who are experienced and thoughtful men, may consider these things on a proper basis and keep in mind the necessity of making sure that contractual rights, the rights of personal freedom and all other individual rights, will not be lost or lessened in these days of administrative tribunals, but will be preserved by free access to the courts and by the maintenance of the high standard of justice which has been the bulwark of our liberties.

Hon. JOHN T. HAIG: Honourable senators, on the point discussed by my honourable friend from Vancouver South (Hon. Mr. Farris) I wish only to say that I heartily agree with him. My experience, such as it is, extends over a good many years. I remember that back in the early part of the century it was difficult to get competent lawyers to accept appointment to the Bench. That was only natural, for the salary of Superior Court judges in those days was but $6,000. Lawyers who are practising before the courts know that the abler the judge, the better the service the people get. There is no question at all about that. I shall never forget one of our own judges, long since called to his reward, who had never ridden in an automobile. A man appearing before him charged with some crime in which an automobile figured was convicted before the trial began; his guilt was regarded not merely as presumptive, but as already proven.

However, what I want to mention particularly is another matter. There should be provision for the retirement of all judges at the age of seventy-five. I am aware that honourable members, especially those belonging to the legal profession, could point to one or more instances in every province of men who at eighty or eighty-five years of age are still able jurists. Go into any province you like and you will find some judges of over seventy-five who are still rendering good service; but others—and they are in the majority—are not. The retiring age for justices on the Supreme Court of Canada is fixed by statute at seventy-five years; but no age limit applies to judges of the Supreme Courts in the provinces. By and large, when a judge gets to seventy-five he should retire. I admit there would be difficulty in making that rule apply to men now on the Bench, but I urge that the whole question should be seriously considered as soon as possible.

I am in favour of this Bill, and am glad that it has been introduced. I hope that, as was suggested by my honourable friend from Vancouver South, it is only the first bite out of the cherry.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: With leave of the Senate, I will move the third reading now.

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

DOMINION SUCCESSION DUTY BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 166, an Act to amend the Dominion Succession Duty Act.

He said: Honourable senators, the honourable gentleman from Toronto (Hon. Mr. Hayden) has been kind enough to indicate that he will explain this measure.

Hon. S. A. HAYDEN: Honourable senators, Bill 166 provides three amendments to the Dominion Succession Duty Act. The first amendment extends the definition of "child." Heretofore in this Act the word has included any child of the deceased and any person lawfully adopted while under the age of twelve years by the deceased as his child. The definition has been enlarged to include:

> A person who, during his infancy for a period of not less than ten years, was in law or in fact in the custody and control of the deceased and was dependent upon the deceased for support.

The second amendment deals with gifts, and provides for what shall constitute a succession. Heretofore where any person made a gift and did not pass over the benefit and control of the gift to the donee immediately, the substance of the gift formed part of the succession on the donor's death. Under this amendment, if the substance of the gift is passed beneficially to the donee more than three years before the death of the donor, it is not a succession within the meaning of the Act, and therefore not subject to succession duty.

The third amendment is a technical one and, I admit, not easily understood. I think I have gathered what it means. It has to do with the situation where a testator may dispose of property by his will with a general

power of appointment to the person receiving the property as to the further disposition of it. In the ordinary case, people who are drafting wills provide for alternative exercise of that power of appointment. This amendment covers a situation where there may be such a general power of appointment without any alternative right of exercise, and where the person who enjoys the general power of appointment has failed to exercise it. In such circumstances a technical legal question arose as to whether property that passed to a person because of failure to exercise a general power of appointment was or was not a succession within the meaning of the Act. The amendment is intended to make clear that in such circumstances there is a succession.

I do not intend to move that this Bill be referred to committee, unless the House indicates a desire to have this done.

Hon. W. M. ASELTINE: Honourable senators, this afternoon seems to be a real field-day for the lawyers. So far all the Bills that have come before us at this sitting have been explained and discussed by members of the legal profession.

I desire to make a few remarks with regard to paragraph (b) of section 1. There has been a lot of difficulty over the definition of "child," particularly because the definition in the provincial Succession Duty Acts is different from that in the Dominion Succession Duty Act. Most lawyers practising in the Probate Courts have had to handle wills under which property was left to a child of the deceased. In some wills a child may be referred to as having been legally adopted, and in others simply as the child of the testator. When you went to probate the will you found that, even if you were unable to prove legal adoption of a child, the provincial Succession Duty Department would not assess the child as a stranger; but when you filed your papers with the Dominion Succession Duty Office, unless you were able to prove that the child was legally adopted at a proper age, succession duty would have to be paid on the child's interest in the estate just as though that child had been a stranger.

The amendment provided by paragraph (b) of section 1 of this Bill makes the definition similar to that in the Succession Duty Act of Saskatchewan and of most other provinces. I am pleased to see this amendment. My only criticism is that the change is not made retroactive. The Dominion Succession Duty Act came into force only in 1941, so there would not be a heavy loss of revenue to the Department if the amendment were made retroactive to that year. I may mention a couple of cases that I had in my office this last year. In one, a testatrix, having adopted a child at the age of one or two months, destroyed the adoption papers because she did not wish the child to learn that he had been adopted. The will, however, described the child as having been legally adopted, and we had to pay the Dominion Succession Duty Office three or four hundred dollars more duty than if we had been able to prove the legal adoption. The estate was only a small one and the child needs that money. I had a similar case a few days ago. As I understand this amendment, neither of those cases will be reconsidered. I would point out that the two estates have not yet been wound up, and therefore, in the event of this section being amended to cover all estates subject to succession duties since the inception of the Act in 1941, there is nothing to hinder a refund.

Hon. Mr. KING: I believe my honourable friend is satisfied with the amendment. It is certainly an improvement on the original section. He suggests that the section should be made retroactive. That is a principle not readily conceded by the Department.

Hon. Mr. ASELTINE: I would not have suggested that the section be made retroactive if this were an old statute.

Hon. Mr. KING: The original Act is chapter 14 of the Statutes of 1940-41, and no doubt many estates have been wound up since it came into operation. In view of what the departmental officials told us yesterday in Committee, that they would hesitate to advise this amendment being made retroactive, I think we should accept the section in its present form. It liberalizes the definition of "child," and probably goes as far as we could expect at this time.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: With leave of the Senate, 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.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the House adjourns to-day it do stand adjourned until Monday, July 31, at 8 o'clock in the evening.

The motion was agreed to.

The Senate adjourned until Monday, July 31, at 8 p.m.

THE SENATE

Monday, July 31, 1944.

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

Prayers and routine proceedings.

HON. C. C. BALLANTYNE

FELICITATIONS ON HIS RETURN TO CHAMBER

Hon. J. H. KING: I am sure that I am expressing the sentiments of all honourable senators when I say how glad we are to welcome back to his seat our honourable friend the leader opposite (Hon. Mr. Ballantyne), who, because of illness, has been absent from this Chamber for some weeks. All honourable members, whether to the right or to the left of the Chair, highly value his presence here, and it is very gratifying to us to see him again in his seat.

Some Hon. SENATORS: Hear, hear.

Hon. C. C. BALLANTYNE: Honourable senators, I greatly appreciate the warm and cordial words of welcome of the honourable the Leader of the House on my return to the Chamber. I desire also to thank him and other honourable senators for their many kind inquiries during my illness.

I take it, judging from their generous applause, that honourable members are in accord with the words of the honourable gentleman who has spoken. I want them all to know that I am indeed deeply touched, and am delighted to be back with them again.

Before I resume my seat, may I be permitted to thank my desk-mate, the honourable senator from Winnipeg (Hon. Mr. Haig) for the very able and efficient manner in which he has carried on my duties in my absence.

Some Hon. SENATORS: Hear, hear.

CIVIL SERVICE SUPERANNUATION BILL

FIRST READING

A message was received from the House of Commons with Bill 171, an act to amend the Civil Service Superannuation Act.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. KING: Next sitting.

SENATE VACANCIES

INQUIRY

On the Orders of the day:

Hon. A. C. HARDY: Honourable senators, if this is the right time, I should like to direct an oral or verbal question to the honourable the Leader of the House. In view of the fact that there are now thirteen unoccupied seats in the Senate, not a few of which have been vacant for from nearly three to over four years, I should like to ask if and when the Government expects or proposes to fill these vacancies.

Hon. J. H. KING: Honourable senators, as we all realize, this is not an elective chamber; appointments are made from time to time at the will and disposition of the Government. I shall be glad to bring the remarks of my honourable friend to the attention of the Government, and I have no doubt they will receive due consideration.

Some Hon. SENATORS: Oh, oh.

PRINTING OF PARLIAMENT

REPORT OF JOINT COMMITTEE

Hon. G. V. WHITE moved concurrence in the first report of the Joint Committee of both Houses on the Printing of Parliament.

The motion was agreed to.

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

THE SENATE

Tuesday, August 1, 1944.

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

Prayers and routine proceedings.

THE LATE SENATOR ROBINSON

TRIBUTES TO HIS MEMORY

Hon. J. H. KING: Honourable senators, we are again reminded that the Grim Reaper is ever with us. I refer to the departure of our esteemed colleague Senator Robinson, who left his place in this world last week. It seems fitting and proper that one who has been closely associated with our departed colleague, and who has enjoyed a long friendship with him, should pay tribute to his memory on behalf of honourable members on this side of the Chamber, and I would ask my honourable friend to my right (Hon. Mr. Copp), to speak for us.

Hon. A. B. COPP: Honourable senators, words fail to express my personal feelings in regard to our late colleague.

I knew Senator Robinson since 1893. In that year I became articled to a law firm of which he, having just finished his course, was the junior partner. We were practically boys at that time, and we spent two years together in that office. Even back in those days his many fine qualities were recognized, and he was marked by the citizens of his native city, Moncton, as one who would naturally play a successful part in public affairs. In 1895, at the age of 29, he was elected as an alderman of Moncton, and after continuing in that office for two years he was chosen mayor by acclamation.

I had become greatly impressed by our late colleague's high qualifications for public life, and at a convention called to nominate a Liberal candidate for the county of Westmorland, in the Dominion election of 1896—which was the first time that I ever took part in any political matters—I had the honour and pleasure of nominating him. Despite the fact that his opponent was a man of great ability and experience, and that for the preceding twenty years the constituency had returned a Conservative, Mr. Robinson came within fifteen votes of being elected. The next year in a by-election for the provincial legislature he was elected by acclamation as member for Moncton, a constituency which he represented continuously from 1897 until 1924, except for the years 1912 to 1917. For two terms, or part of two terms, he was Speaker of the Legislature, an office which, as all who know him will understand, he filled with dignity, grace and impartiality. In 1907, after retiring from the Speakership, he was invited to become a member of the Executive Council without portfolio, and shortly afterwards was made Provincial Secretary.

That same year he became Premier of the province. In 1908 an appeal was made to the people—the Liberal party had been in office for some twenty years without a break; he was the fifth successive Premier during that period—and the Government was defeated. Mr. Robinson himself was re-elected, however, and continued to be a member of the provincial House until 1912, when he retired. In the provincial general election of 1917 he was again a successful candidate, and when the Foster cabinet was formed he was made a Minister without portfolio. Two years later he became Minister of Lands and Mines, which post he held until he was summoned to this Chamber. As a member of the federal Government at the time I had the honour and the pleasure of recommending to the Prime Minister Mr. Robinson's appointment to the Senate.

During all these years Senator Robinson occupied a prominent place in not only the political but the business life of New Brunswick. Soon after entering on his public career he ceased to practice at the Bar, but his counsel was eagerly sought, and usually followed, by corporations and business firms. From 1910 to 1917 he embarked on large lumber operations, and ultimately devoted himself largely to his business interests.

No man could have had a better friend than I had in Senator Robinson. For fifty-one years we enjoyed the closest personal and political friendship, and during that long period never a harsh word passed between us. I firmly believe he never harboured an unkind thought of me—or for that matter of anyone—and yesterday afternoon as I saw his remains lowered to their last resting place I could not but realize that I had lost the staunchest of friends. His memory will always remain green with me, as I am sure it will with all who have had the good fortune to be associated with him in this chamber. I do not know whether he selected the hymn sung at his funeral service, but as I listened I thought it would be just like Cliff to express himself as in this couplet:

> Let there be no moaning at the bar
> When I put out to sea.

My dear friend was an honourable, straightforward gentleman, always courteous and kind to both friend and foe. When the Liberal party in the county of Westmorland was at its lowest ebb, a weak minority party, he did not hesitate to associate himself with its fortunes. He became an uncompromising party man, but never a bitter partisan. Some of his strongest political opponents were also his strongest personal friends.

It is a tribute to our late colleague's abilities that he occupied such a prominent position in the political life of Canada, and I am confident that had he been as aggressive as he was able he would have reached a still more prominent place. I know of three occasions when he declined preferment. I recall in particular one case in 1915 when, though my senior, he effaced himself and proposed my nomination as candidate for a seat in the House of Commons, and helped to assure my election. We worked together in the fullest harmony. In all our election campaigns he was my right-hand supporter, and I reciprocated and helped him to the best of my ability.

On his appointment to this Chamber he participated in our debates only when he had something worth while to say, and he always said it well. He also took an active part in our standing committees, where his opinions, based on long experience in public and business life, were always well received.

I realize that I have lost a true, loyal and faithful friend. His splendid career has meant much to the public life of this country, and I hope it may inspire us all to still greater endeavours as members of the Senate of Canada. His dignity of manner entitled him to walk with kings, and at the same time enabled him to keep in touch with the common people, from whom he sprang, among whom he dwelt, and for whom he laboured during his public career.

On behalf of honourable members on this side of the House, I wish to extend our deepest sympathy to the widow and the step-daughter of our late colleague.

Hon. J. T. HAIG: Honourable senators, on behalf of the members on this side of the House, I am going to ask the honourable gentleman from Westmorland (Hon. Mr. Black) to express our sympathy.

Hon. F. B. BLACK: Honourable senators, it is with feelings of deep emotion that I rise to say something about my late friend Clifford Robinson.

I endorse all that has been said by my honourable colleague .opposite (Hon. Mr Copp). Like him, I have known Senator Robinson all my life. As very young boys he and I went to Mount Allison Academy, the preparatory school for the university. At that time I was 12, and Clifford was 14 or 15. From there we went to the university, he two years ahead of me. We have always been friends, and notwithstanding that we were members of opposing political parties, we continued to be friends until his departure from this world.

I received a letter yesterday from a business associate of mine in Moncton, in which he used these words:

> Senator Robinson was the sort of man one liked to meet and liked to talk with.

I do not know that any finer tribute can be paid to any man by a fellow citizen than is contained in those sincere words—and I think they would be echoed by every person who knew Senator Robinson well.

Senator Robinson was a descendant of the so-called Yorkshire Settlers who came to the head of the Bay of Fundy in the 1770's. They were a very fine body of people. Possessed of considerable worldly wealth in those times, they brought with them their furniture, and in most cases their stock, and made homes for themselves and their descendants. In 1774 two or three members of the group brought out brick from Yorkshire, and erected buildings on Point de Bute Ridge, one of which remained until only a few years ago, when it was taken down because the bricks were so weathered that they would no longer hold together. Such was the stock from which Senator Robinson came. As was only natural, members of these families who came to the head of the Bay of Fundy so long ago intermarried, with the result that many people in that section of the country to-day can claim some relationship. Clifford and I were second cousins on both sides of the family. Though I did not support him in elections, nor he me, we had no disagreements. We ran elections in the same county without interrupting our friendship. We were good friends at all times.

As the previous speaker said, Clifford Robinson was a lawyer by profession, and a good one, but during recent years his mind ran more in the direction of business. He and I have been closely associated in many enterprises in the Maritime Provinces. We have also for years been members of the Board of Governors of the University from which we received our degrees. Our associations have been of the most pleasant nature. When he visited Sackville I invited him to my house; when I was in Moncton, I frequently went to his; and this pleasant family relationship continued throughout our lives.

I was greatly shocked to hear of his illness, and still more shocked to hear of his death. I deeply regret that the visit of friends from a very distant part of the Dominion made it impossible for me to attend his funeral and pay my last respects.

The province of New Brunswick has lost a fine citizen; the city of Moncton has lost a man who at all times had its interests at heart. He will be missed there, as elsewhere, for many years to come. The younger generations, of course, did not know Clifford Robinson as we knew him, but they must know the record he has left behind him.

It would be futile to give a chronological catalogue of the late Senator's activities; that has already been well done; but one thing that I can say is that the memory of Clifford Robinson will remain fresh in our minds as long as we continue to be members of this Chamber. I salute the memory of the Honourable C. W. Robinson.

The Hon. the SPEAKER: I am quite sure, honourable senators, that you would wish me to forward a copy of the record containing these remarks to Mrs. Robinson.

AGRICULTURAL PRICES SUPPORT BILL

FIRST READING

A message was received from the House of Commons with Bill 168, an Act for the support of the prices of agricultural products during the transition from war to peace.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this bill be read the second time?

Hon. Mr. KING: Next sitting.

VETERANS INSURANCE BILL

FIRST READING

A message was received from the House of Commons with Bill 170, an Act to provide for the insurance of veterans by the Dominion of Canada.

The bill was read the first time.

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

Hon. Mr. KING: At the next sitting of the House.

DIVORCE BILL

REPORT OF COMMITTEE

Hon. Mr. HAIG, Chairman of the Committee on Divorce, presented and moved concurrence in the 118th Report of the Committee.

The motion was agreed to, and the report was concurred in.

FIRST, SECOND AND THIRD READINGS

Hon. Mr. HAIG, Chairman of the Committee on Divorce, by leave of the House, presented Bill S5, an Act for the relief of Ruby Violet Gainsford Moorhead, which was severally read the first, second and third times, and passed.

SPECIAL WAR REVENUE BILL

REPORT OF COMMITTEE

Hon. Mr. BEAUREGARD, Chairman of the Standing Committee on Finance, presented and moved concurrence in the Committee's report on Bill 163, an Act to amend the Special War Revenue Act.

He said: Honourable senators, the amendment proposed in this report is a minor one, and was offered by the department concerned as a result of the remarks made in this Chamber on the motion for second reading.

The motion was agreed to.

THIRD READING

The Hon. the SPEAKER: When shall this bill, as amended, be read the 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.

CIVIL SERVICE SUPERANNUATION BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 171, an Act to amend the Civil Service Superannuation Act.

He said: Honourable senators, I think those of us who have been in Parliamentary life in Ottawa for a number of years have come to realize that our Civil Service is a most important public body. The younger democracies have learned that it takes time to build up an efficient civil service. In Canada, especially during the last twenty or thirty years, many young men and women who have planned to make their careers in the public service have followed the English practice of undergoing special studies in an endeavour to qualify themselves for certain positions. I believe there are in our universities to-day a considerable number of young people looking forward to the time when they may become members of the Dominion Civil Service. That, it seems to me, is a development of much importance and one that will prove highly advantageous to our country.

This Bill is an effort on the part of the Government to meet representations made by Civil Service committees to the Treasury Board or the responsible Minister, as well as recommendations received from time to time from Parliamentary committees. Nowadays appointees to positions in the Service are largely chosen by the Civil Service Commission. It is true there has been some complaint on the part of elected members of Parliament, and perhaps at times proper complaint, because their influence in securing appointments had been greatly curtailed; but I believe that in general the public are pleased with the present arrangement. When we look back over the history of our Civil Service and realize that a change of government no longer affects the tenure of office of public servants, we see that considerable advance has been made. Our civil servants have learned to adapt themselves to changes of government, and know it is their business and duty to carry out the policies of the elected representatives of the people. I have had some experience with the Civil Service, both in the provincial and federal fields, and have found that if a

minister has confidence in his departmental officers and staff and invites their co-operation, he will readily secure it.

This Bill is long and complicated.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. KING: The amendments are numerous and will have to be carefully considered. It is difficult to give a full explanation of the changes, but I shall try to indicate briefly what is proposed. The Bill consolidates regulations passed by the Governor in Council in 1939 and amendments made to the Act in 1940. Certain employees who previously had the right to elect, within a certain period, to come under the Superannuation Act, but who failed to do so, are to be given a further right to exercise this option at any time during one year from the 15th of August next. Some 3,500 persons who to-day are in the temporary service, or contributors to the retirement fund, will have an opportunity to enjoy the benefits of the superannuation fund.

There is also a provision which will allow what are known as prevailing-rate employees to become contributors to the superannuation fund. I remember very well that there was a large number of these employees in the Department of Public Works. That group includes men such as plumbers, who in the Government service are paid wages at the scale prevailing in private employment.

A number of sections in the Bill provide for certain increases in benefits. One amendment applies to persons who are discharged or who resign before completing ten years' service. Formerly they forfeited whatever contributions they had made to the superannuation fund, but under the amendment they will be entitled to the return of their total contributions, without interest.

It is also provided that where a pension is payable to dependants of a former public servant whose total required contribution has not been fully paid, the pension will continue until it has equalled the contributions made.

Hon. Mr. EULER: May I ask the honourable leader a question? He has said that employees who complete less than ten years' service, and who in the past would have forfeited all their contributions, will now receive back the sum of their payments. Will that apply also to employees discharged for misconduct of any kind? When I was a member of the Government I constantly advocated that amendment, but never succeeded in getting it.

Hon. Mr. KING: Yes, there is such an amendment; it is the last one on the list in front of me.

Hon. Mr. KING.

The Bill also provides that if a public servant dies without dependants, his estate will be paid an amount not less than his contributions to the fund.

I come now to the point raised by my honourable friend from Waterloo (Hon. Mr. Euler). The Bill repeals the clause providing for the forfeiture of contributions made by an employee discharged from the Service, it being felt that other action should be taken in such cases.

As I have said, this Bill is long and complicated, and I expect there will be considerable discussion of some sections. If it is the wish of honourable members that there be a reference to the Committee on Banking and Commerce, I shall so move, after the second reading.

Hon. JOHN T. HAIG: Honourable senators, as the honourable leader has said, this is a complicated Bill and will require careful investigation. Personally, I would prefer to have it considered in committee before I make any remarks about it. I should like to say, though, that we took a long step forward for the betterment of public service when we established the Civil Service Commission, and it seems to me that these amendments are along the right line. All over the country annuities payable at sixty-five or seventy are becoming increasingly popular, and I believe there will be general agreement with the principle of this Bill. However, as I have already intimated, it would be well to go to a committee, where we could interrogate departmental officers upon various points, so at present I shall say nothing about the merits of the Bill.

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

THE SENATE

Wednesday, August 2, 1944

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

Prayers and routine proceedings.

AERONAUTICS BILL

REPORT OF COMMITTEE

Hon. A. B. COPP, Chairman of the Standing Committee on Railways, Telegraphs and Harbours, presented and moved concurrence in the Committee's report on Bill 133, an Act to amend the Aeronautics Act.

He said: Honourable senators, the Committee has made one amendment to this Bill.

Hon. JOHN T. HAIG: Honourable senators, I beg to move, seconded by the honourable senator from Saltcoats (Hon. Mr. Calder), the following amendment:

That the report of the committee be not now concurred in, but that the Bill be referred back to the Standing Committee on Railways, Telegraphs and Harbours, with instructions to strike out the word "Minister" where it appears in the tenth line, page 5, section 12, subsection 8, and substitute therefor the following:

Governor in Council, which appeal must be held and decided upon within three months of the date of the filing of the said appeal.

The subsection will then read:

Where the Board refuses to issue a licence, issues a licence which differs from the licence applied for, or attaches conditions to which the applicant objects, an appeal may be made to the Governor in Council, which appeal must be held and decided upon within three months of the date of the filing of the said appeal.

I move this amendment because I object to the underlying principle of this Bill, which places the regulation of civil aeronautics under the control of one man, the Minister of Transport for the time being.

I might object to other clauses—for instance, to the first paragraph of clause 12, which reads:

Subject to the approval of the Minister, the Board may issue to any person applying therefor a licence to operate a commercial air service.

However, I am limiting myself to this basic amendment. Under the Bill as at present drafted, if I, with the approval, mind you, of the Minister, were to apply for a licence to operate an air service from Winnipeg to Churchill, and the honourable senator from Saltcoats (Hon. Mr. Calder) made a similar application, the Minister could say to the Board, "We will deal with the Calder application." Then I would be out. I do not like to give the Minister such arbitrary power, but I am not objecting to that. Furthermore, the Minister can instruct the Board to make all sorts of findings, and I have no objection to him having that authority.

I do not intend to-day to go over again the fundamental objections which I urged against this Bill on the motion for second reading, except to say that in my view it is fundamental that the proposed board should have the final say in all matters of civil aviation. That is the principle embodied in the Railway Act which established the Board of Railway Commissioners to deal with railway transportation. True, the first Aeronautics Act was passed in 1918, but at that time aviation was of little account, and not until 1938 did its regulation become much of a problem in this country. Since then, however, largely owing to the war, a development has taken place, a development which otherwise would have required ten or twenty years. At the present time there is no body of legislation governing aviation. Under this Bill a Board is set up which, at the request of the Minister, will hear representatives and make investigations in regard to matters of policy. It will then report to the Minister. That is covered very thoroughly by Sections 9 and 10.

Practically the only objection raised to my amendment by the Minister was that an appeal to the Governor in Council would take too long. Well, I am limiting the time within which the appeal must be heard and decided to three months. There is no question that it can be done in that time. There will not be many appeals to be heard. Aviation is not like railway transportation. Little companies will not want to establish air lines; the cost is far too great. It is all right to say that other conditions exist in the United States. I am not dealing with the question of whether the railways should have rights or not. My primary objection to the measure before us in its present form is that it places all the power in the hands of one man; and no matter who that man may be, aviation is much too important to be under one man's control.

My honourable friend opposite (Hon. Mr. King) said this morning that this man would be a member of the Government, and that he would be controlled by the other members of the Government. Well, that may be so, or it may not. Certainly that is not in accordance with the history of governmental affairs. The Minister largely controls the department over which he presides.

It was also urged this morning that the Governor in Council must appoint the Board. I am not saying that is not true, but I am not much impressed by that argument. The Board cannot grant a licence unless the Minister permits it to do so, and if it refuses, there can be an appeal to the Minister.

I ask the House to send this Bill back to Committee with instructions to make provision for an appeal. I think that is the least I could ask for. The only questions on which there may be appeals from the Board of Railway Commissioners are questions of jurisdiction or law. It is quite true that the Governor in Council can pass legislation overriding the decisions of the Board, but that is not an appeal. The Government can pass on Order-in-Council and repeal what the Board has done.

I would have no objection to such a provision in this Bill. But I am asking a great deal less than that because I am impressed by

the argument of the honourable senator from Toronto (Hon. Mr. Hayden) that this is a new field which requires the building up of policies and a code of law, and therefore the Minister and the Board must have power accordingly. But I want the final appeal to be to the Governor in Council, with a limit of three months upon the time during which the matter may be delayed. I therefore ask the House to vote for the amendment.

Hon. J. H. KING: Honourable senators, this matter was discussed on the motion for second reading, a few days ago, and again in committee this morning. I regard my honourable friend's contention as being more technical than practical. From a technical point of view his amendment would seem to be all right, but when it comes to the practical development of air transportation in Canada, at the stage that we have now reached, I believe the course taken by the Government is the right one. The Government takes the responsibility of nominating and appointing the Air Transport Board. What is the purpose of that Board? It is to investigate and make a study of rates and various other phases of aerial transportation in this country. The Board's powers are also qualified by the provision that whatever regulations it may make are subject to approval by the Governor in Council.

My honourable friend objects to the Minister having the power to say "Yes" and "No." That is a power used every day by every Minister in the operation and administration of his department. The responsible Minister under this Act will be dealing with great public problems. My honourable friend said that he himself might apply for a licence to operate an air line between Winnipeg and Hudson Bay, that his confrere sitting next to him might apply for a similar licence, and the Minister could rule that only one application should be received. Under this Act it is not intended that anything of the kind should be done. The Board will be required to receive and study all applications, and then to make recommendations to the Minister. These will not be ordinary departmental matters. If my honourable friend does apply for a licence, it will be a matter of great importance to the people, not only of Winnipeg but of Canada generally, for everyone recognizes the vital place of the Northwest country in international air routes.

Speaking from my own experience—and I have had some—I should say that the best safeguard rests in the requirement that all applications for licences must be referred to the Minister, who is vested with the right to make the decision. What is the situation? Members of the Government will know if there is any controversy going on between the Minister and the Board. There is a further provision that the Board's regulations must be laid before both Houses of Parliament within ten days after they are published in the Canada Gazette, or, if Parliament is not sitting at the time, within ten days after Parliament resumes its sittings. My honourable friend refers to the Board of Transport Commissioners. That Board was established in 1903, as the Board of Railway Commissioners. It was not given full powers; it never has had full powers. It never has had the right to grant a charter to anyone for the building of a line. Regulations made by the Board from time to time, together with various legal decisions, constitute a form of jurisprudence which is accepted as a guide for the Board's actions. It will of course be some years before the Air Transport Board reaches a comparable stage.

I disagree with my honourable friend's suggestion that the Air Transport Board should be made an entirely independent body for deciding upon applications for licences. I am satisfied that the people of Canada would not be prepared to place the responsibility for such decisions in the hands of any three men. I should like to meet my honourable friend's suggestion, but I am sorry that I cannot do so. As I remarked at the outset, I regard his proposal as being more technical than practical. The Minister appeared before the Committee this morning and expressed his feelings. He has had much to do with the development of air transportation in this country, and I am convinced of the soundness of his judgment in this and many other matters. I believe that in so far as this legislation is concerned the best safeguard lies in the requirements that decisions as to licences must be made by the Minister and that an annual report on work of the Board shall be presented to Parliament. In the interval while air transportation is being developed within this country and internationally, we shall no doubt be building up a body of jurisprudence that some day will make it feasible for us to have this relatively new means of travel regulated by a body similar to the Board of Transport Commissioners.

Hon. Mr. COPP: Honourable senators, may I just say a word with regard to one feature of my honourable friend's amendment? He is asking us to pass a law that would require the Governor in Council to take certain action

within a specified time. That, it seems to me, would be going farther than any legislation should go.

Hon. Mr. HAIG: I was trying to meet an objection raised by the Minister.

Hon. J. A. CALDER: Honourable senators, I have only a few words to say in connection with this Bill. In a sense the whole business of aviation is in the making, and I presume that there are reasons why we cannot proceed rapidly in determining matters of policy. Assurance was given to us by the Minister this morning that in the near future the Air Transport Board will hold an inquiry to secure data on the basis of which the Government and Parliament may prepare a line of policy for the future. Our real difficulty is that at present there is no legislation embodying a policy for the development of aviation in this country. In the railway field the situation is different. We have a large Railway Act that consolidates decisions by the Government and Parliament on a thousand matters of policy, and in deciding any questions within its jurisdiction the Board of Transport Commissioners is guided by the law. It is true that Parliament has never given the Transport Board the right to issue a railway charter; that right has always remained with Parliament.

As to aerial transport we are at present in a period of transition, and the question before us is whether the Minister should have the power to decide certain matters about which there is a difference of opinion. You cannot compare the powers of the Minister in charge of aeronautics with those of any other minister, for ministerial powers and duties with respect to all other matters are pretty well defined by law. It is in this new field alone that the Minister is given the sole power of deciding questions of policy.

The honourable leader opposite has referred to the provision that the Air Transport Board's regulations shall be laid before Parliament, but in my opinion that does not touch the objection to the Bill. Any question of policy decided upon by the Minister in June, for instance, might not be reported to Parliament until January, February or March of the next year. I say that to give a single Minister the right to decide questions of policy, without providing for any appeal from his decision, is undemocratic and unsound; and until the policy is set forth in the law, there should be some procedure for appeal. That is why this amendment is proposed.

I was very glad to hear the Minister state definitely this morning that the Air Transport Board would arrange for the holding of public hearings throughout the whole country, so that all persons interested would have an opportunity to make representation as to what should be provided for in our law on aeronautics. I trust that such hearings will be held, that all interested persons will appear and make their wishes known, and that in due course we shall have the necessary statute.

The Hon. the SPEAKER: Honourable senators, I should like to point out that before discussion begins on any motion the question should be first put from the Chair. In this instance discussion began before the question was put, but I refrained from interrupting. I will now put the question. The Honourable Senator Copp presented the report of the Standing Committee on Railways, Telegraphs and Harbours on Bill 133, an Act to amend the Aeronautics Act, and moved, seconded by the Honourable Senator Hugessen, that the report be concurred in. Thereupon the Honourable Senator Haig moved in amendment, seconded by the Honourable Senator Calder, that the report of the committee be not now concurred in but that the Bill be referred back to the committee with instructions to strike out the word "Minister" in section 12, subsection 8, as appearing on page 5, at line 10, and to substitute therefor the following words: "Governor in Council, which appeal must be held and decided upon within three months of the date of the filing of said appeal." If so amended, subsection 8 of Section 12 would read as follows:

> Where the Board refuses to issue a licence, issues a licence which differs from the licence applied for, or attaches conditions to which the applicant objects, an appeal may be made to the Governor in Council, which appeal must be held and decided upon within three months of the date of the filing of said appeal.

The question is on the amendment. Is it your pleasure to adopt the amendment? Those in favour will say "Content."

Some Hon. SENATORS: Content.

The Hon. the SPEAKER: Those opposed will say "Non-content."

Some Hon. SENATORS: Non-content.

The Hon. the SPEAKER: In my opinion, the non-contents have it.

The proposed amendment of Hon. Mr. Haig was negatived on the following division:

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The Hon. the SPEAKER: The question now, honourable senators, is on the main motion.

The motion was agreed to.

Hon. Mr. MICHENER: I was paired with the honourable senator from Lethbridge (Hon. Mr. Buchanan).

Hon. Mr. SMITH: I was paired with the honourable senator from North York (Sir Allen Aylesworth). Had I voted, I should have voted for the amendment.

Hon. Mr. QUINN: I was paired with the honourable senator from Shelburne (Hon. Mr. Robertson). Had I voted, I should have voted for the amendment.

Hon. Mr. LEGER: I was paired with the honourable senator from Lunenburg (Hon. Mr. Duff). Had I voted, I should have voted for the amendment.

Hon. Mr. MACDONLAD (Richmond-West Cape Breton): I was paired with the honourable senator from Margaree Forks (Hon. Mr. MacLennan). Had I voted, I should have voted for the amendment.

THIRD READING

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

Hon. Mr. KING: Now.

Hon. Mr. HAIG: On division.

The motion was agreed to, on division, and the Bill, as amended, was read the third time, and passed.

CANADA-UNITED STATES OF AMERICA TAX CONVENTION BILL, 1944

REPORT OF COMMITTEE

Hon. F. B. BLACK, Chairman of the Committee on Banking and Commerce, presented and moved concurrence in the committee's report on Bill 159, an Act respecting a certain tax convention between Canada and the United States of America, signed at Ottawa, in the Dominion of Canada, on the eighth day of June, 1944.

He said: Honourable senators, there is one amendment to this Bill. It provides that the Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

The motion was agreed to.

THIRD READING

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

Hon. Mr. KING: Now, please.

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

CIVIL SERVICE SUPERANNUATION BILL

REPORT OF COMMITTEE

Hon. Mr. BLACK, Chairman of the Standing Committee on Banking and Commerce, presented and moved concurrence in the report of the Committee on Bill 171, an Act to amend the Civil Service Superannuation Act.

The motion was agreed to.

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

Hon. Mr. KING: Next sitting of the house.

CITY OF OTTAWA

REPORT OF JOINT COMMITTEE ON FEDERAL-MUNICIPAL RELATIONS

Hon. A. B. COPP, Chairman, Senate Section, presented the second and final report of the Joint Committee of the Senate and the House of Commons appointed to review the special problems arising out of the location of the seat of government in the City of Ottawa and to report on the relations between the federal Government and municipal authorities of the said city and the relative responsibilities in respect of such problems, with power to inquire into the matters and things therein referred to.

He said: Honourable senators, I regret very much that some person, either properly or improperly, secured some parts of this report in advance of its presentation here and gave it to the public press. I am sure I can say for the Senate members of the Committee that they were not at all to blame for this.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. COPP: I suggest that we dispense with the reading of the report, as it is very lengthy.

The Hon. the SPEAKER: When shall said report be considered?

Hon. Mr. COPP: Next sitting.

FAMILY ALLOWANCES BILL

FIRST READING

A message was received from the House of Commons with Bill 161, an Act to provide for Family Allowances.

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.

AGRICULTURAL PRICES SUPPORT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 168, an Act for the support of the prices of agricultural products during the transition from war to peace.

He said: Honourable senators, I may say in explanation of this Bill that it is the desire of the Government to set up machinery to provide means whereby the prices of agricultural products may be stabilized during the transition from war to peace. We know that early in the war the Government set up control boards with respect to agricultural products, and it will be admitted that if control had not been exercised the farmers in many cases would have received more for their products than they did. It must be admitted that the control measures taken up to the present have been of great advantage; and honourable members will agree that the ability to control prices and prevent inflation after the war will be of still greater advantage.

It has been thought wise that machinery should be provided for this purpose, and under this legislation a board of three members will be appointed to survey the agricultural field from time to time with a view to advising the Government upon the desirability of establishing floor prices for certain products.

No particular product is mentioned in the bill; wheat is excluded; but it is within the option of the government, and of the Board, acting under regulations made by the Governor in Council, to recommend from time to time the establishment of floor prices. Prices once having been established, if the market indicates that articles such as butter or eggs are due for a slump owing to seasonal conditions, it will be within the province of the Board to step in and support the prices of those commodities. If the market does not absorb the product at the floor price, the Government will buy that commodity and control the price.

The Bill also provides for buying and selling, not only locally and domestically but internationally. On the advice of the Board the Government may make arrangements to have other countries take various products at certain prices. To accomplish this a revolving sum of $200,000,000 will be placed at the disposal of the Board. It is not expected that there will be any profits, or that participation certificates will be issued.

I am sure that if we can successfully maintain reasonable prices for agricultural products during this period of uncertainty we shall be doing a great service for not only the agriculturists but the people of Canada generally.

The bill is easily understood, and with this short explanation I move the second reading.

Hon. R. B. HORNER: Honourable senators, I wish to make a few remarks on this Bill. I fail to understand just how any definite service will be rendered. I am suspicious. The Bill mentions the period of transition from war to peace. If I am right, the difficulty which will confront the farmer will occur not during that period but afterwards. I had hoped this Bill would contain some assurance regarding the peacetime period. It is true that the prices of farm products have been prevented from rising for fear of inflation, and I had hoped the Bill would contain some definite pledge that after peace had been restored there would be some regulation of prices.

There is another point that troubles me with regard to the marketing of live cattle. The Bill does not say who will be protected, the packer or the farmer who raises the live animal.

These are the features of the Bill which cause me some disturbance.

Hon. Mr. KING: The powers of the Board are wide, but they are subject to the control of the Governor in Council.

Hon. JOHN T. HAIG: I appreciate the position of the honourable member from Saskatchewan North (Hon. Mr. Horner), for what has worried me about this legislation ever since it came into the House is the fact that it evidently does not contemplate dealing with grain at all, because the sum mentioned in the Bill is only $200,000,000. This year the grain crop of western Canada probably will be five hundred million bushels of wheat, four hundred million bushels of oats, two hundred million bushels of barley and a fairly large crop of flax.

Hon. Mr. KING: We have stabilization now under the Grain Board.

Hon. Mr. HAIG: Yes, but not under this Bill. What I had hoped for was that in this legislation Parliament would recognize that portion of our population which is engaged in primary production. A twin Bill, dealing with fisheries, which is coming to us from the other House eliminates part of my objection; but during the last forty years I have never felt that the farmers got a fair share of the national income. I admit that this measure is an attempt to give them a larger share. To that I say "Amen," but I really thought we would have had a much more comprehensive measure.

I want to say to honourable gentlemen opposite—and I am going to just touch on politics for a moment—

Hon. Mr. COPP: Careful!

Hon. Mr. HAIG: —that in the next election they are going to be met with a challenge from the Leader of our party on the question of fairness to the farmers during recent years, and in the future. I agree with the honourable senator from Saskatchewan North when he says that this Bill deals only with the period of transition from war to peace. Now, what are the facts? The Government has closed the Winnipeg Grain Exchange, and has fixed the price of wheat at $1.25. If the Exchange had been left alone the price of wheat would have been much more than that. The only persons affected were the farmers. I admit that through the years the farmers of the West have demanded that the Grain Exchange be closed; but it was only closed by the Government when it was working for the farmer and the price of grain was going up. It is fortunate for us that we will have one of the best crops we ever had, and that it has come at a time when the world sorely needs wheat; but like my honourable friend, I want to know what is going to happen after the war. Those of us who lived in western Canada from 1930 to 1936, years during which the people of the East suffered from a depression, know that in the West we had not only a depression but an absolute lack of crops. One of the troubles of the West has been that for the last forty years the mentality of Parliament has been such that it has never, in my judgment, fully recognized the importance of the farmers in the economic life of this country. This Bill is a delayed and partial recognition of the importance of the farming industry, and the Bill yet to come gives similar recognition to the importance of the fishing industry.

I am all for this Bill, but it does not go far enough. I think it should be the settled policy of this country that, so far as the farmers are concerned, the basic figure should equal the cost of production. It is all right to say that you can grow wheat in western Canada for 40 cents a bushel. You can if you have a mechanized farm and a large acreage; but on the average farm you cannot grow it for less than 60 cents a bushel.

Hon. Mr. HORNER: And you have to get a crop every year.

Hon. Mr. HAIG: Yes, and we had crop failures for three or four years. The reaction of the people to the situation which has existed in the past is one of the basic reasons why our friends of the C.C.F. are making such progress. They have promised that such a situation will not occur again. We must see to it that a greater share of our income goes to the primary producers of this country. I think that is basic. I may be wrong, but I believe that John Bracken is going to challenge this country on that issue. It is going to be an issue in this election or the next one, and it will offer a far greater challenge than the C.C.F. will offer. I do not believe Canada will ever adopt socialism. It might, though, if the people become temporarily nervous. That is one of the explanations of the result of the Saskatchewan elections; but in my opinion the true explanation has not yet been given.

No one who has not been brought up on a farm knows the farmer's psychology. The Canadian farmer has never had a square deal, either in the West or any other part of the country. Farmers in Prince Edward Island may have been reasonably well fixed at times, but our farmers in the Western Provinces have always felt they did not get a fair share of the wealth of this country. Now we are entering a new period of international economic arrangements. Agreements will be made with various countries, and in order to control the basic price of a commodity—bacon, butter, cheese, or whatever it happens to be—the Government at times may have to purchase the current production. The Government would be in a better position than any individual to negotiate with other countries for the disposal of the entire production of a commodity. I intend to vote for the Bill. I have taken this opportunity, not to criticize the Government, for I think it has made a good start, but simply to point out that in my opinion the Bill does not go far enough, that it does not deal with the underlying problem.

Incidentally, I notice that the Board to be set up under this measure must report to the Governor in Council, not to the Minister of Agriculture. Probably some of the remarks made here last week respecting the Aeronautics Bill came to the ears of the Govern-

ment, with the result that this Bill has been made to comply with the principle for which we are contending.

I say again that although the Bill is a move in the right direction, it does not go far enough. The farmer's problem was well stated by the honourable senator from Saskatchewan North (Hon. Mr. Horner). With the demand from Europe and Asia for food, agricultural prices may increase, and if the farmers can get hold of enough money to finance their crops, conditions may remain fair for the next four or five years. But what is going to happen after that?

Hon. Mr. LAMBERT: How many years does my honourable friend think the Bill should cover?

Hon. Mr. HAIG: I think good times will last five years, because the demand for our products will continue that long.

Hon. Mr. LAMBERT: How far do you say the Bill should extend beyond that?

Hon. Mr. HAIG: I would make it permanent.

Hon. Mr. HAYDEN: There is no time limit in the Bill, is there?

Hon. Mr. HAIG: The Bill is entitled, "An Act for the support of the prices of agricultural products during the transition from war to peace." I want it to extend beyond the transition period; I want it to continue indefinitely.

Hon. Mr. LAMBERT: For how much longer?

Hon. Mr. HAIG: Permanently. We cannot go back to the economic conditions that existed before the war. I do not believe that a class of people at one end of the economic scale should get seventy-five per cent of the wealth produced in our country, while a class at the opposite end gets only fifteen per cent.

Hon. Mr. KING: Where did the honourable gentleman obtain his percentages?

Hon. Mr. HAIG: I think you will find they are correct.

Hon. Mr. KING: We should be careful with figures.

Hon. Mr. HAIG: I believe they are approximately correct, according to returns. The farmers do not get a large enough proportion of the total wealth produced in this country. That is the fundamental basis of the problem in Saskatchewan, and in Alberta, and in every agricultural district throughout the country. The farmers are hoping that John Bracken can answer their prayer. If he cannot, they will go radical. Agricultural radicalism is different from industrial radicalism, because industry by and large is dependent upon co-operation between management and labour.

Hon. Mr. COPP: Is my honourable friend trying to deprive Mr. Bracken of his chance?

Hon. Mr. HAIG: No, but I am willing to give you the chance to beat him to it. I am so much more concerned about the welfare of the farmers than I am about politics that I am willing to do that.

Hon. Mr. DUFFUS: Well, he won't be there.

Hon. Mr. HAIG: My honourable friend was a member in another place, and I notice he was very glad to accept an appointment to the Senate. I do not blame him a bit, because his former seat is now occupied by a person of the opposite stripe of politics. My honourable friend says John Bracken will not be there. I can tell my honourable friend that I know a good many other men who will not be there, especially if they run in Western Canada. John Bracken will run in Western Canada, in the province where he has lived for the greater part of his life, and he will be elected to the House of Commons as the representative of one of the constituencies in that province. My honourable friend has not known him, as I have, for twenty-odd years.

However, the question before us is not whether John Bracken will be elected. The question is whether the farmers of this country are to get a square deal. I repeat that the Bill does not go far enough; but I intend to support it, even though it is only a half-way measure.

Hon. J. A. CALDER: Honourable senators, I should like to say a word or two about this Bill. I am in favour of it. Whether or not it extends far enough is a question that can be taken care of in due course; if it should become necessary to extend the life of the legislation, there should be no difficulty in attending to that later on. The uncertainty as to prices concerns the post-war period; there is little doubt that they will not fall below their present level until after the war ends. No one knows just what will happen then. Look at the situation in Europe. During the war most European countries have been looted by Germany, and when peace comes their supplies of nearly every commodity will be very low. Furthermore, their productive capacity will have been seriously interfered with, and for a while will remain at virtually the minimum. The whole continent will be crying out for

foods of all kinds, manufactured goods and everything that we produce in our factories and on our farms. Millions of people have been transferred from their native lands; figures given to me indicate that as many as six millions have been subjected to this treatment by the enemy. It is said that one and a quarter million French citizens have been moved to Germany, where they are obliged to work on the land or in factories. But in the course of time France, Norway, Denmark, Holland and other countries will become, as we say, rehabilitated: they will have secured new implements and machinery, and their people who were removed to enemy territory during the war will have returned home. The crucial period for us will come after these people are repatriated and production in their respective countries approaches the normal level. That will not be until some years hence. It is then that the Government will have to decide upon the real question underlying this Bill, and make up its mind whether, regardless of world conditions, it will establish ceiling and floor prices for our products. That is a mighty big question, one that can be determined only in the light of world conditions as they exist when the decision has to be made. It cannot be determined now.

By way of illustration let me refer to what happened a few years ago in Brazil. That country is a large producer of coffee. Production was gradually increased and stocks on hand piled up until one year there were millions of bags for which no market could be found. What was done? The coffee was loaded on board ships, taken out to sea and thrown overboard. As honourable members know, rubber is another commodity that was produced on a very large scale prior to the war. In an attempt to prevent prices from falling too low, cartels were formed and supplies were doled out.

After this war, when Europe and the rest of the world have got back to more or less normal conditions, there is certain to be a period of over-production in Canada, and then steps will have to be taken to protect the farmer. We know that in the past there were times when lack of purchasing power abroad brought about a state of over-production of our principle agricultural products, and prices went down and down. In time this country will again be faced with a similar situation, and I am glad that I shall not be one of the ministers charged with the responsibility of deciding how to deal with it.

Hon. Mr. HORNER: Many people contend that there never was over-production of any commodity in Canada, but that we have at times suffered from under-consumption, due to lack of purchasing power.

Hon. J. E. SINCLAIR: Honourable senators, I do not think we need have any fear about how long this legislation will remain effective. There is no time limit to it. Future Parliaments can deal with conditions as they arise, and, if necessary, extend the life of the measure. After the last war it took fifteen years for the prices of agricultural products to drop to a very low level: I believe a table placed on Hansard in another place shows that agriculture prices remained at a fair level for thirteen or fourteen years after the end of the war and that the big drop did not occur until after 1930.

Under this Bill it will be the duty of the Board to gather certain information. The honourable acting leader opposite (Hon. Mr. Haig) advocates the policy of his leader—that our farmers should be assured a reasonable and proper share of the national income. I am not certain that his proposal will bear close investigation, for in order to ascertain a farmer's income we must take into consideration not only the return on his capital investment, but also those things which he can raise for the use of his family and which are not available to the urban dweller.

Subsection 2 of section 10 reads:

> In prescribing prices under paragraphs (a) and (c) of subsection one of this section, the Board shall endeavour to ensure adequate and stable returns for agriculture by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from agriculture and those from other occupations.

That is, farmers are to be given economic standing comparable with that of persons engaged in other occupations. As one who has always been a farmer, I do not think that agriculture could ask for any better treatment. We do not want any greater economic privileges than are enjoyed by persons in other occupations, and it seems to me that so long as parity can be maintained it would be neither democratic nor just on our part to ask for more.

The powers of the Board are set out in section 9. This section is not to come into force until proclaimed by the Governor in Council. It will be recalled that during the discussion in another place it was stated that the chairman of the Board would be appointed at once, and that probably two officials of the Department of Agriculture would be members pro tem for the purpose of collecting information to enable the Government to decide when to bring section 9 into force. Paragraph (i) of subsection 1 of this section

provides for the appointment of commodity boards to undertake the purchase and disposition of agricultural products. Paragraph (j) of the same subsection provides for the appointment of committees to assist the Board in an advisory capacity. This follows pretty much the procedure under which the Food Board and the Bacon Board were constituted. I think this is a good feature of the Bill, as it will give representation to the producer at a minimum of expense for administration.

In regard to collecting information, I should like to emphasize one thing which enters into the whole economic structure of this measure. In the discussions in another place comparative prices were given for agricultural products during the great war, during the depression, and during this war. Speaking generally, there is not much difference between current prices and those which were prevalent during the last war; but there is a very great difference in working conditions. Since 1939 appeals have from time to time been made to our farmers to strive for maximum production of beef, pork, and cereals. Our farmers have answered those appeals in a way which I think is highly commendable, particularly as their cost of production has been very much increased. I may say that I am more familiar with agriculture in the East than in the West. I know that farmers in Eastern Canada are to-day paying almost double the pre-war prices for new machinery. They cannot buy as much as they need, for the supply is rationed, so they are obliged to make the best of their old machinery. This means that in the period of transition from war to peace there will be a great demand for farm machinery, and if present prices are maintained our farmers will be involved in additional heavy expense.

Another factor to be considered in farm operation is wages. To-day wages of farm workers in Eastern Canada are comparable to those received by industrial workers, particularly those engaged in war industries, for unless our farmers pay similar wages the men drift into munition factories and other industrial plants. In many cases our farmers not only have to pay their help on this higher scale, but have to provide them with board.

Our farmers also have to face heavier costs when they repair their buildings. For instance, roofing material, which, like many other things, is rationed, cost $4.50 a thousand before the war, as against $6.75 to-day, an increase of 50 per cent. These higher costs of farm operation will be sharply accentuated during the interim between war and peace, and should be very carefully considered by the Board which is to function under this Bill.

There is another matter to which I would direct the attention of honourable senators. As I have stated, during the past two years farmers in Eastern Canada have been urged to increase production to the maximum. In order to accomplish this they have had to use much larger quantities of commercial fertilizers, particularly in growing potatoes. To a large extent fertilizer prices have been controlled, but even so we are now paying 25 per cent more for fertilizers than we were before the war. During the period of adjustment from war to peace farmers in Eastern Canada will have to continue to increase rather than diminish their use of fertilizers. The greater the crop and the higher its standard the lower will be the unit cost of production. This is possible only by the generous use of modern commercial fertilizers. On the other hand, farmers who follow the old method of fertilizing get a smaller crop at a higher cost of production.

While on the subject of fertilizers, I would remind honourable senators of a further disadvantage which the farmers of Prince Edward Island have to contend with. There the soil is deficient in lime, and with the use of commercial fertilizers it is necessary to neutralize acidity by treating the land liberally with crushed limestone. Since 1939 we have had to pay high freight rates on lime brought from the other Maritime Provinces, and this material was not available to the small farmer until the provincial Government recently granted a subsidy to offset the cost of transportation. This grant is just beginning to stimulate the traffic, and during the crop season in the years ahead our railway facilities will be taxed to the limit to supply the lime required by the farmers of Prince Edward Island.

With all the extra expenses which have been added within the last five years unless during the transition period from war to peace we have some such measure of control as it is provided for in this Bill, the farmer will find his commodity prices much below his cost of production.

I shall not discuss the Bill further at the present time. To me it seems largely self-explanatory, and I hope its enactment will result in bringing about such an orderly adjustment from war to peace conditions as will secure a fair relationship between the returns from agriculture and those from other occupations.

During the discussion of the Bill in the other House the Minister of Agriculture said:

Our intention is that the board shall immediately begin to study the relationship of the

conditions which now exist to the prices which now exist and that all facts with regard to matters of that kind be made available for use immediately the war is over.

I think the honourable senator from Saltcoats (Hon. Mr. Calder) is correct in saying that while our present control system continues it may not be necessary to go very far with this Bill because prices for agricultural products have been kept pretty well up to the maximum of prices for other goods. However, this measure is in accordance with the statement in the Speech from the Throne that:

To ensure economic stability for agriculture, you will be asked to make provision for a price floor for staple farm products.

I have much pleasure in supporting the Bill.

Hon. Mr. HORNER: Because of the brevity of my remarks on this Bill, I wonder whether I may be allowed one further word. I did not wish to interrupt the honourable senator from Queen's (Hon. Mr. Sinclair) when in his opening remarks he said it was some fifteen years after the last war that prices dropped. I am confident that the honourable senator from High River (Hon. Mr. Riley), who sits behind him, very well remembers that in 1921 a number of farmers in Western Canada were ruined because the prices of live cattle dropped from 10 cents to 4 cents a pound. I hope this correction may serve as a warning to farmers throughout the country not to expect present prices of farm products to continue for fifteen years after this war is over.

Hon. Mr. SINCLAIR: I remember that quite well. The reference I made was to a table filed in another place.

Hon. DUNCAN MARSHALL: Honourable members, I think our various political parties are all agreed on the principle of this Bill. After all, the important feature is the working out of the details, because this measure is more or less in skeleton form. The honourable gentleman opposite who has just sat down (Hon. Mr. Horner) said something that I was going to say to my honourable friend from Queen's (Hon. Mr. Sinclair) about the prices of cattle and sheep following the last war. It may be news to the honourable gentleman from Prince Edward Island that a carload of sheep which a farmer shipped from Peace River to Winnipeg sold at a price which was insufficient to pay the freight charges, and that when a telegram reached him asking for more money to make up the deficiency, he replied that he had no cash, but was sending on more sheep.

I am afraid that anybody who owned a few hundred head of cattle at that time—and too many of us did—found the price tumbling very rapidly. However, I think there is nothing to fear in relation to the length of time for which this Bill will run. The British House of Commons have already passed a Bill like this, in which they have fixed a period of four years. Under it prices are to be revised at the end of every year. Before they passed the Bill they raised some prices, for instance, on mutton and beef. Much to the disgust of the fellows raising sheep in Scotland, they did not raise the price of wool. They are having many difficulties in Britain, and while I do not know that I have any business to go into the details at this time, one of them is in regard to the classification of their beef. They are classifying it by the killing-out percentage. Anything that has a killing-out percentage of 59 is classed as super quality. We would not consider that a very high percentage in show cattle at our Winter Fair or the International Fair, as animals there frequently run as high as 67 per cent or 68 per cent. The result of that classification has been that the Englishman, who is just as fond of making money as anybody else, even a Scotchman, has fed these beasts until, as one man in the west of England put it, the cattle were like elephants and the sheep as big as donkeys. When these brutes are killed they are largely tallow, and when they are cut up by the butcher there is a heavy loss, because grease is not as scarce as it was.

I hope this Board will be very careful about their classification when they fix the prices. In Britain a start has been made by taking present prices—some have been increased—and these will be revised once a year.

We must expect prices to be revised to some extent after we get a bit away from the war. The great difficulty in calculating farm prices lies in the fact that one man can raise a bushel of wheat for 50 cents, as my honourable friend opposite (Hon. Mr. Haig) said—although I have not seen many men who could do it—whereas it costs another man 75 cents, especially if his farm is small. Therefore it is very difficult to be fair to the small farmer as well as to the large farmer who operates perhaps several thousand acres.

So far as the period covered by the Bill is concerned, this House will meet before another year, and if any amendment or change is needed to carry on further, it can be made. I think perhaps three or four or five years will be about the period that will have to be provided for following the war, so this Bill will cover it.

I do think the title of this Bill could have been better. Without mentioning any names, I may say that I know someone who could

have written it better and got away from reference to the period of transition from war to peace. That is very indefinite indeed.

There will be bills of this kind passed in almost all the countries of the world. Britain has led the way by passing one, and others will follow. The United States have proceeded along the way a certain distance, but have not gone very far, the reason being, I fancy, that they are to have a general election this fall. As their election is fixed by statute they know when it is coming off, and no doubt they figure that this matter will be dealt with by the new Congress.

Hon. Mr. HAIG: And a new President too?

Hon. Mr. MARSHALL: I would not think so. I will not go as far as my honourable friend did when he guessed who the next Premier of Canada might be.

Hon. Mr. HAIG: I did not guess.

Hon. Mr. MARSHALL: He might belong to the C.C.F. for all you or I know.

Some Hon. SENATORS: No, no.

Hon. Mr. MARSHALL: Wheat is exempt from the Bill, the reason being that governments are peculiarly constituted. If you ever get anything moved out of one department into another, and want to get it back again, you will not live long enough to do it. In 1897 the Grain Act, which first gave the farmers of western Canada half a chance to get decent prices for their grain was passed. One of the chief movers on that occasion was the late J. G. Rutherford, who did such a great work for agriculture in all parts of Canada. At that time wheat was shipped through the different provinces and was largely a matter of trade, so it was put under the control of the Department of Trade and Commerce. When a change of Government took place afterwards an attempt was made to get wheat back into the Department of Agriculture, but this was not accomplished because one, Sir George E. Foster, was Minister of Trade and Commerce then, and he was not letting go of anything he had. Consequently, although there have been changes of Government since, wheat has remained in the Department of Trade and Commerce.

But wheat will be handled by the Wheat Board. That Board has been a good working organization and has done a good job; and it will have a most difficult job to do in the marketing of farm products when the war is over. The reason is this. Prior to this war every country in the world was determined to grow its own wheat in order to have food for its people if war came. Canadian wheat was preferred; it was wanted for mixing purposes to make decent bread. But these countries kept it out to encourage their own peope to grow wheat. I remember saying to a Paris miller: "What kind of wheat do you like, to make flour?" He thought for a moment and said, "Canadien." I said, "Why?" He was a bit puzzled—he had nearly as little English as I had French; and that was none at all—and finally he said: "Because she has de riz." This is the reason why France was such a good customer for Canadian wheat; but in order to encourage the people to grow their own wheat, the French government put a tariff on wheat.

That is one of the curses that will be removed, because one of the things agreed on by the 45 or 46 representatives of various countries at the Hot Springs Conference on Agriculture was freedom of trade in foodstuffs. And believe me, that will be the finest thing possible for the Canadian farmer, because it is food that we are growing in this country. We have a number of men engaged in other occupations, but our primary business is the growing of food, particularly wheat, and we have one of the greatest pieces of country in the world for growing fine wheat.

So far as bacon, cheese and eggs are concerned, we have only one country to deal with. That is Britain. I do not know of any other country to which we could sell eggs. We might sell some meat to the United States in the form of beef, but we could not sell them any bacon, because they have so many pigs in that country that they will be chasing them up trees when this war is over.

As for cheese, the people of the United States do not care for our cheese. It is too good for them. They want a soft, rubbery, leathery cheese. As I say when I am on the American side, "For any man who likes that kind of thing it is just the kind of thing he would like." If you ask a cheese dealer in Brockville or Belleville where he sells his cheese that is not fit to go to the British market, he will tell you, "The United States." But the quantity that goes there does not amount to anything. Our cheese market is Britain. The British people like our cheese. We have made it well, and they know our cheese-makers in Canada have made great progress in the business. The western provinces are for some reason not quite as well fitted for the cheese business as Ontario, but they are making good progress and are producing a little more cheese. Furthermore, the demand brought about by the war has increased the market. The British people are the greatest cheese-eaters in the world. We eat a little cheese:

we buy a half a pound, eat half of it, and bait mouse-traps with the other half. In the Old Country bread and cheese are eaten for lunch every day. The miner or the farm worker, when a new piece of cheese has been bought, opens up the slices of bread to see if the cheese is soft and has soaked into the bread. If it has, he closes up the slices again and uses language that I would not be permitted to use here. He wants cheese that will stand up, for then he knows he will have something to eat. There are forty-six million people in Britain who eat cheese; many of them eat it for breakfast; so we will have a market there for cheese as well as for bacon and eggs.

As to meat, the Argentine causes some difficulty. If Argentine beef was allowed into the United States market, it would simply swamp it overnight. Argentine beef is kept out of the United States by a law passed some years ago—and we passed a similar law afterwards, although the amount of Argentine beef coming in here would not matter—providing that no fresh beef should come in from a country where there was foot and mouth disease. Then cases of what was called foot and mouth disease were traced to the Argentine. There is no danger of this disease coming from hides, because lime and salt are used on hides. But you cannot put lime and salt on beef, so we are not able to fight foot and mouth disease on beef in that way.

There are many problems with respect to foodstuffs that will have to be solved, and I hope the men who are to be appointed to this Board will have a wide knowledge of marketing and of values. That is important.

After all, this Bill could be nothing more than a skeleton; it could not contain provisions governing every commodity. We shall be back next year—I hope all of us will—and then we shall have something to say about how the legislation has worked out in the meantime. I believe everyone is agreed that it is a pretty good measure. Of course, it is not perfect—I never saw anything that could not be criticized a bit—but it is a framework around which can be built an effective measure, greatly needed in Canada, for the establishment not so much of ceiling as of floor prices. The floor is the thing that interests me. The ceiling will pretty well take care of itself.

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: If there is no objection, I would move third reading now.

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

VETERANS' INSURANCE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 170, an Act to provide for the insurance of veterans by the Dominion of Canada.

He said: Honourable senators, I shall make a brief explanation of this Bill. It will be remembered that in 1920 Parliament passed what is known as the Returned Soldiers' Insurance Act, under which veterans of the last war might apply, not later than September, 1922, for insurance up to $5,000. No medical examination was required, and a few returned men availed themselves of the original Act. In 1922, and again in 1928, 1929 and 1930, the time limit for the receipt of applications was extended. I am informed that the Act served a very useful purpose, and that the financial provisions made under it are still adequate for taking care of the risks assumed. The provisions of the present Bill, are similar to those in the old Act, but apply only to veterans of the present war. As before, no medical examination will be required. Under this measure a veteran may apply for insurance up to $10,000.

I have no doubt that the regulations drawn up during the years that the Government has been carrying on the insurance of veterans will provide sufficient protection against risks that would seem to be involved because of lack of medical examination. In practice a man suffering from a malignant disease and with a limited expectation of life is not accepted as a risk. The terms of the old Act were very liberal. Premiums were payable for ten, fifteen or twenty years, and policies were issued to veterans up to the age of sixty-five. Under this measure, veterans of the present war have the option of paying premiums for ten, fifteen or twenty years, and the age limit for applicants has been extended to eighty-five years.

Hon. Mr. BLACK: May I ask the honourable leader a question? Is that extension of the age limit to eighty-five years applicable to veterans of the last war?

Hon. Mr. KING: I believe not. Their applications would be received under the terms of the old Act, which of course is still in effect.

The benefits payable to a veteran's widow under this Bill are greater than those provided for by the old Act.

The Department has intimated that one amendment should be made to the Bill. I would therefore suggest that after the Bill has been read a second time it should be referred to the Committee on Banking and Commerce, where departmental officers of long experience would be present to explain the measure fully.

Hon. Mr. HAIG: Honourable senators, I have read this Bill and am in favour of its principle, but I think the time limit for receipt of applications should be longer than three years.

Hon. Mr. KING: No doubt before that time limit has expired Parliament will be asked to extend it.

Hon. Mr. HAIG: Personally, I think five years would be better.

Hon. Mr. KING: Experience indicates that Parliament will be asked for extensions from time to time. The idea probably is that the short time limit tends to induce veterans to make their applications earlier than if they knew they could come under the Act at any time within, say, five or ten years.

Hon. Mr. HAIG: I intend to make some remarks on the Bill, but I shall wait until it has been considered in committee. I am strongly in favour of the principle.

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

REFERRED TO COMMITTEE

Hon. Mr. KING: Honourable senators, I would move that the Bill be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. BLACK: Will the Bill be before the Committee to-morrow morning?

Hon. Mr. KING: That is the intention. I understand that notices of the Committee's sitting have gone out.

The motion was agreed to.

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

THE SENATE

Thursday, August 3, 1944.

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

Prayers and routine proceedings.

QUEBEC SAVINGS BANKS BILL

FIRST READING

A message was received from the House of Commons with Bill 131, an Act to amend the Quebec Savings Banks Act.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. J. H. KING: With leave of the Senate, I would ask that this Bill be read the second time now.

The Quebec savings banks, like our chartered banks, have to come before Parliament every ten years for a renewal of their charters.

I am going to suggest that this Bill be referred to the Standing Committee on Banking and Commerce. It is my hope that the Committee may meet to-morrow morning, and that the members of the Committee, with the assistance of the officials of the Department, may go carefully into the proposed amendments and thoroughly familiarize themselves with the terms of the Bill.

I would move the second reading of the Bill.

Hon. Mr. LEGER: May I ask the honourable leader, just by way of information, if the amendments to the general Bank Act, when adopted, will apply?

Hon. Mr. KING: No.

Hon. Mr. LEGER: The Quebec Savings Banks have special charters?

Hon. Mr. KING: They are distinct charters.

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.

EXPORT CREDITS INSURANCE BILL

FIRST READING

A message was received from the House of Commons with Bill 178, an Act to incorporate the Export Credits Insurance Corporation and to promote the revival of trade by the provision of Dominion Government guarantees to encourage exports from Canada.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. J. H. KING: With the leave of the Senate, I would move second reading now.

The purpose of this Bill is to provide credits through the Export Credits Insurance Corporation, an organization to be set up by the

Government, with a view to enabling the Government, on the advice of the Corporation, to promote export trade. It is believed that if our industries are to develop as they should, it will be necessary, in order to secure the advantages of such development for our own people, that we look abroad for markets. In view of conditions which it is anticipated will prevail in devastated countries after the war, it is believed that individuals or companies venturing into the markets of those countries will require some assistance or some assurance from the Government of Canada.

Under this Bill a corporation will be set up to inquire as to credits and the feasibility of entering into contracts, and to assist the exporter to take advantage of markets if they are considered safe. This inquiry will not be confined to companies and individuals only, but will be made with respect to governments as well.

The Bill should commend itself to honourable members of this Chamber. It is in line with other measures now being proposed to assist in the development of Canada's trade after the war, and is for the purpose of supporting those of our people who undertake to engage in export trade.

Hon. Mr. BLACK: Does the Bill provide guarantees of credit to exporters, whether individuals or corporations?

Hon. Mr. KING: Yes.

Hon. Mr. BLACK: That is to say, after the examination has been made the exporter will be insured against loss?

Hon. Mr. KING: If it is decided that the risk is not too great.

Hon. JOHN T. HAIG: Honourable senators, I have read this Bill very carefully and can see the benefits that will flow from it. I can also see some dangers. I hope they will not be too numerous.

The corporation to be set up will comprise the Deputy Minister of Trade and Commerce, the Deputy Minister of Finance and the Governor of the Bank of Canada, and these gentlemen are to be assisted by four directors to be appointed by the Governor General in Council.

I think the honourable the Minister has given a fair explanation of the Bill as far as he has gone; but I think he should have given us more information. For instance, we have wheat to sell to Greece. It may be that no dealer could afford to take a chance on selling wheat to a business firm in that country. Payment might never be made, or the exchange on the foreign currency might be too high.

I see many difficulties in connection with this legislation. It may be necessary to finance some purchasers. The Government will probably have to set up a large bureau to investigate the reliability of purchasers and to ascertain what commodities should be exported. These will be highly important business transactions.

Hon. Mr. KING: The object is to assist business in Canada.

Hon. Mr. HAIG: You will have to do more than assist.

Hon. Mr. EULER: The trade commissioners ought to be able to help out.

Hon. Mr. HAIG: Yes, and some members of embassy staffs, who are not otherwise engaged, might be able to help. I am in favour of the Bill, but I see many dangers and difficulties in connection with it.

Hon. Mr. EULER: After the last war we lost about $15,000,000 to Roumania and about $8,000,000 or $10,000,000 to Greece.

Hon. Mr. HAIG: I should like to see the Bill go to a committee.

Hon. Mr. KING: I intend to move that.

Hon. Mr. HAIG: I hope the Minister of Trade and Commerce, in whom I have a good deal of confidence will come to the committee and outline to us what he has in mind.

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

REFERRED TO COMMITTEE

Hon. Mr. KING moved that the Bill be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. HAIG: I think that Dr. Clark, the Deputy Minister of Finance, and Mr. Towers, the Governor of the Bank of Canada, should be present at the committee. This is one of the most important Bills that we have had to deal with, and it imposes a heavy responsibility upon us as senators. Mr. Towers would be of great assistance.

Hon. Mr. KING: I shall endeavour to have him at the committee, if he is available.

The motion was agreed to.

DIVORCE STATISTICS, 1944

Hon. JOHN T. HAIG: Honourable senators, it is usual on approaching the end of the session to present a report on the work of the Committee on Divorce.

In the present session 114 petitions for bills of divorce were actually presented in the Senate and dealt with by the Committee on Divorce, as follows:

Unopposed cases heard and recommended..	107
Opposed cases heard and recommended....	3
Applications not proceeded with.....	4
Total.....	114

Of the 110 petitions recommended, 68 were by wives and 39 by husbands domiciled in the province of Quebec; and 3 by husbands domiciled in the province of Prince Edward Island.

An analysis of the occupations followed by the applicants is as follows:—

I take it that the House does not want me to read this list.

Some Hon. SENATORS: No.

Hon. Mr. HAIG: I notice it does not include any lawyers.

Hon. Mr. EULER: They are too smart.

Hon. Mr. HAIG: The list will appear on Hansard. (The remainder of the Report follows.)

Airman, automobile driver, butler-cook, cashier, chauffeur, checkers, circulation manager, claims agent, clerks, commercial traveller, comptometer operator, dental nurse, dietitian, dress operator, electrician, executive assistant, factory employee, farmers, foreman, garage owner, industrialist, inspector, insurance agent, jobber, journeyman, lathe operator, machine operators, managers, mechanics, merchant marine officer, merchants, modiste, motorman, moulder's helper, painters, photograph finisher, production manager, publicist, railway employees, repairer of eiderdowns, rivetter, salesmen, saleswomen, school teacher, seaman, seamstress, secretary, silk coner, stenographers, steel worker, stockkeeper, stoker, supervisor, switchboard operator, teletype operator, timekeeper, tramway conductor, typist, window cleaner.

The Committee held twenty-seven meetings.

In 40 cases the Committee recommended that part of the Parliamentary fees be remitted.

Assuming that all the bills of divorce recommended by the Committee and now in various stages before Parliament receive the Royal Assent, the comparison of the number of divorces and annulments of marriage granted by the Parliament of Canada in the last ten years is, as follows:

1935.....	30
1936.....	40
1937.....	46
1938.....	85
1939.....	50
1940.....	62
1941.....	49
1942.....	73
1943.....	92
1944.....	111

VETERANS INSURANCE BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK, Chairman of the Committee on Banking and Commerce, presented and moved concurrence in the committee's report on Bill 170, an Act to provide for the insurance of veterans by the Dominion of Canada.

He said: The committee has made a couple of amendments to this Bill.

The motion was agreed to.

THIRD READING

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

Hon. Mr. KING: With leave of the Senate, now.

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

CIVIL SERVICE SUPERANNUATION BILL

THIRD READING

Hon. Mr. KING moved the third reading of Bill 171, an Act to amend the Civil Service Superannuation Act.

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

FAMILY ALLOWANCES BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 161, an Act to provide for Family Allowances.

He said: Honourable senators, it might appear to uninformed or inexperienced persons that although Parliament has been in session for some six months, important legislation is now being rushed through without full opportunity being given for its consideration. It must, however, be recalled that during the nearly five years since Canada entered the war Parliament has had to devote almost its entire attention to the enactment of measures designed to give maximum effect to our war effort. In short, this is a war Parliament. But almost immediately after Canada declared war the Government undertook investigations with the view of introducing legislation to take care of what might be considered the period of transition from war to peace. We are now approaching this stage, and hence it is necessary that before the life of this Parliament ends next April the Government should initiate legislation to carry into effect during the reconstruction period policies based on those investigations.

To this end during this session and preceding sessions Parliament has passed a considerable body of legislation dealing with veterans affairs. I do not need to enumerate the various measures, but I may remind honourable members of the Veterans Land Act, which widens the scope of the original Act passed after the last war. We have also made provision for vocational and university courses for the benefit of any of our returned soldiers

who may desire to take advantage of them. We have just given second reading to a bill for the purpose of establishing an export credit insurance corporation to promote a revival of trade by providing Government guarantees to encourage export from this country. I merely mention these measures to show that the Government is endeavouring to take care of the reconstruction period which will follow the end of the war.

The various provincial Governments have co-operated with the federal Government in order to bring about a closer relationship between those two great forces engaged in industry—capital and labour. This has become so important that within the last few years each of the nine provinces has set up a Labour Department to ensure this closer relationship.

In the Atlantic Charter, which President Roosevelt and Prime Minister Churchill formulated at their historic conference, certain principles were enunciated which the Allied nations are seeking to establish in their war against Nazism and Fascism. At that time the Allied nations were on the defensive, but to-day we have every reason to believe that the two remaining Axis partners will soon be forced into unconditional surrender. Then the freedom-loving peoples of the world will be able to extend their influence and enjoy the advantages of their enlightened philosophy.

The first duty of the Government is to make provision for the rehabilitation and placement of the men and women in our fighting forces. Planning in this regard naturally falls into three broad fields—demobilization, rehabilitation and re-establishment in civil life. The plans were set out in the Speech from the Throne.

In order to assure continued employment in the post-war period a rapid and efficient conversion of industry from war to peace-time activities must be brought about, and I am satisfied that if the present co-operation between capital and labour is carried over into the transition period much can be accomplished to the advantage of our people generally. It is hoped that, through Government assistance, small and medium-scale industrial enterprises may be established and a greatly expanded home market provided to absorb their increased production. My experience of the adaptability shown by Canadian industrialists and Canadian workmen, coupled with the enterprise of Canadian business men, leads me to believe that we can secure larger foreign markets for the products of our factories.

We know from scientific investigation and from discoveries made during the last two or three years, that greater use can be made of our natural resources; and undoubtedly new developments will take place which will enlarge the field of employment. Furthermore, if the measure which we had before us a few moments ago assists in making available to us the markets of the world, we can be assured of greater employment.

The Bill before us is closely correlated with the whole rehabilitation programme. Under this Bill it is proposed to pay the parents of children so much per child, the amounts varying with the ages and the numbers of such children. It is conceived that this enactment will bring about improved conditions in the homes of those who, through no lack of energy or desire on their part, have failed to reach a place in the higher income brackets. We realize that in the set-up of our industrial life there has been no provision for supplementing the income of the married man as against that of the single man. For their day of toil, working side by side, they both receive the same wage. It is felt by those who have given great consideration to this problem that the men who accept the responsibility of entering into the married state, and who raise the future citizens of the country, should have a larger share in the benefits derived from our natural resources. Upon that principle the Bill is founded.

I had the privilege the other day of reading a speech made by the honourable the Prime Minister in Toronto, in March, 1919, just shortly after the last war. It was the speech of one who had given a great deal of study to social and industrial relations, and I believe it should be read by every young man and woman in Canada, with a view to their having a better understanding of the relationship that should exist between industry as a whole and those employed in it.

Hon. Mr. HORNER: Did the Prime Minister in that speech suggest a tax on bachelors?

Hon. Mr. KING: No, he did not. That is a matter which comes within the purview of the provincial governments. I have no doubt that some day they will take advantage of the opportunity.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Do you not think the very measure before us comes within the purview of the provincial governments?

Hon. Mr. KING: Louder.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Do you want me to yell?

Hon. Mr. KING: Yes. I should like to hear you.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Do you not think this measure also is within the purview of the provincial governments?

Hon. Mr. KING: Like my honourable friend, I am a member of the medical profession, and I would not venture an opinion upon that point. We have many legal men in Parliament, not only in the other House but in this Chamber, and no doubt that aspect of the Bill will be dealt with to the satisfaction of honourable members.

The Bill itself defines the terms, "child," "Minister," and "parent," and sets out matters of regulation, allowances, residence, and so forth; in fact, as I have said before, it is a formula for carrying out the principles underlying family allowances.

Family allowances are not new in the world. They have been in operation in many countries.

Hon. Mr. HAIG: Would my honourable friend name some of the countries? I can find only three.

Hon. Mr. KING: I think there are three or four—Germany, Norway and Sweden, and, I believe, Denmark.

Hon. Mr. HAIG: No, Norway and Sweden have no family allowances.

Hon. Mr. KING: I am not sure.

Hon. Mr. HAIG: I can give authority for that statement.

Hon. Mr. KING: That may be correct. However, I am not interested in the European situation, but I am interested in the question of whether family allowances are feasible and possible in this country, with its great natural resources and the great opportunities which industry enjoys to-day. In my opinion family allowances provide one way by which the wealth that comes from those resources can be more fairly distributed among the people who labour to produce it. That is my position and the position of the Government in support of this legislation.

There has been much discussion of this measure in the press. In that discussion the argument has been largely one-sided. Perhaps we can understand why. Those who have been able to avail themselves of the press of this country to make their viewpoint understood were all of a certain class. Consequently we have had numerous letters and editorials in opposition to this measure. But we have the satisfaction of knowing that when this Bill came before Parliament, the elected representatives of the people in another place voted unanimously for the principle of the Bill; and that is something to which we in this Chamber should give very careful consideration. Further, as the measure involves a very considerable expenditure, we should consider it coolly and calmly, and I am hoping that when this is done the Bill will receive the commendation of the Senate.

Hon. A. J. LEGER: Honourable senators, I want to say just a few words in support of this Bill.

The Fathers of Confederation, seeing the great possibilities of this country, its natural attractions, its vast resources and its opportunities for capital investment to bring about a fuller development of our latent assets, predicted a great future for Canada. Yet, three-quarters of a century of confederation has not brought about the anticipated result. Many factors could perhaps be invoked to explain our comparatively slow rise to prosperity. To my mind there is one which enters into the subject now under consideration, namely, a lack of appreciation of the value of the human element in the building up of the nation.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LEGER: We have not given to large families the attention which they deserve, and we have done nothing to encourage an increase in the number of such families. We have known all along that children are not only the greatest blessing the marriage state can bestow, but the best asset a nation can possess. We have known that a high birth-rate is the most convincing sign of the prosperity of a country. We have known that if large families were to cease, or decrease in numbers, we would not only be classed amongst the nations which were dying or disappearing off the face of the earth, but that the capitalists, the employers, the manufacturers and the merchants would lose the benefits which large families render to the community by furnishing both producers and consumers. Yet, knowing all this, we have heretofore let the parents alone shoulder the responsibilities and obligations entailed in rendering this service to the nation.

But that is not all. By legislatively imposing the eight-hour day, thus preventing the father of a large family from prolonging his working day and thereby increasing his output, we have deprived him of the opportunity to earn extra money. We have also deprived him of the help of his children by telling him that modern conditions demand that children shall spend from eight to twelve years at school, and by barring the doors of factories against them until they reach the age of 14 or 16. The earning power of the large family has been curtailed by the exigencies of modern civilization. And what has been offered in

return? Nothing at all. On the contrary, we have further burdened the already harassed father of the large family by imposing taxes on commodities, thereby making him pay an extra and very heavy share of the national levy. Add to all this the difficulty of finding housing accommodation, and you will have a pale picture of the situation.

It seems that we have reached the stage where the State can no longer neglect the large-family problem. How can it be solved? Some say by higher wages. But this would benefit only those who draw wages. In any event, we could never hope for wage increases proportionate to family responsibilities, because under our industrial system wages are adjusted in accordance with the laws of supply and demand. Strict justice, it has been said, demands equivalence between what is received and what is given. Consequently, if an employer obtains the same amount of work from different workers, he satisfies the demands of justice by paying them equal wages. To demand that he give more to the worker with a large family than he pays to another worker would be equivalent to saying that he is bound to give more than he receives. In the meantime the father of the large family must by his own hand, without other help, feed, clothe, house and educate his family; and this he cannot do unless his efforts are supplemented by those of his wife, by charity, or by some other method which is not conducive to producing contented workers.

What is the remedy? If, as is generally admitted, large families are a necessary factor in the prosperity of the nation, it follows that they should at least be placed in a position of security by means of family allowances. From what I have said it will be realized that the family allowance is not payment for work done; neither is it alms or charity offered to the head of the family because he is in need or in trouble. It is remuneration for eminent services rendered to the State, services which no one had thought of remunerating hitherto, but which the special conditions of present day economics compel society to recognize and reward.

If such services are recompensed, will the State be thereby impoverished? Might such remuneration have a tendency to lower wages? Industry is well aware that by diminishing wages it lessens the buying capacity of the worker, thus delaying the extension of markets and restricting its own prosperity. Family allowances are in the interest of both employer and employee. When adopted they will hasten the development and prosperity of Canada, by providing a more rapid increase in population; they will enhance the value of the land, by creating a greater demand; they will stop the exodus of families and induce Canadians now resident in the United States to return home, thereby extending the home market; they will increase production, diminish the cost of living and render higher wages possible. For these reasons and many others that could be evoked, I am heartily in favour of the Bill.

Hon. A. K. HUGESSEN: Honourable senators, I think it will be generally agreed that this is perhaps one of the most important measures of social reform that the Parliament of Canada has ever been called upon to consider. I feel that before dealing with the Bill itself it would be of some interest to inquire into its background. My honourable leader was quite right in saying that it had its genesis in that meeting of those two great leaders of democracy, President Roosevelt and Mr. Churchill, in the autumn of 1941, when they formulated the Atlantic Charter, which sets forth the aims and objects of the democratic countries and the four great freedoms for which these countries stand, including freedom from want and freedom from fear.

As a result of that meeting and the general principles there enunciated, a number of bodies were set up in this country, Great Britain and United States, to study how best our social economy could be improved in order to provide for all our people freedom from want and freedom from fear. In the United States there was the Natural Resources Mobilization Board. In Great Britain there was the Committee on Social Security, under the Chairmanship of Sir William Beveridge. In this country there was the Committee on Reconstruction, set up by the Government, under the chairmanship of Principal James.

The next step in this line of progress came in December, 1942, with the publication of the Beveridge Committee's report, which had a great effect upon the thinking of the English-speaking world, in particular, on matters of social security. Then in this country there was the Speech from the Throne at the beginning of the session of 1943—

Hon. Mr. HAIG: Would my honourable friend allow me? Has the Beveridge report been accepted by the British Government?

Hon. Mr. HUGESSEN: It has neither been accepted nor rejected. I do not know what the exact position is, but I understand the British Government has accepted that part of

the report relating to the payment of children's allowances, and that a measure authorizing children's allowances will shortly be introduced at Westminster.

I was referring to the Speech from the Throne at the beginning of the session of 1943, in which it was stated:

> It is in the general interest that freedom from fear and from want should be the assured possession of all.

Then in March of last year there was the publication of Dr. Leonard Marsh's report to the Reconstruction Committee on a system of social security for Canada. Later, as honourable members will recall, this House and the other Chamber appointed committees on reconstruction and on social security. Those committees heard a good deal of evidence—the witnesses included Sir William Beveridge and Dr. Leonard Marsh—and did much valuable work.

In September, 1943, the National War Labour Board, under the chairmanship of Mr. Justice McTague, as he then was, made a report which suggested a system of family allowances for cases where it was impossible to raise wages above the minimum standard at which they were frozen by wartime regulations.

Finally we come to the Speech from the Throne at the beginning of the present session. The introduction of a measure of family allowances was foreshadowed in this short paragraph:

> The family and the home are the foundation of national life. To aid in ensuring a minimum of well-being to the children of the nation and to help gain for them a closer approach to equality of opportunity in the battle of life, you will be asked to approve a measure making provision for family allowances.

And now we have this Bill, "an Act to provide for family allowances."

In summing up this part of my remarks, I say that the Bill is one step towards that goal of social security which is inherent in the adhesion of Canada, as one of the Allied nations, to the terms of the Atlantic Charter. But I venture to suggest to honourable members that the basic concept of the Bill antedates that great document. I think it stems from the great depression of the thirties and from the unbending resolution of our people that the conditions which then existed should never be allowed to recur.

Honourable senators know just as well as I do what those conditions were. In our industrial areas and great towns hundreds of thousands of family men, with wives and children dependent upon them, were thrown out of employment. Having no money at all coming into their homes, they were forced to go on relief. They were stamped with the stigma of indigence and had to depend upon municipal authorities for their bare maintenance, constantly beset by the fear that that maintenance would be discontinued if they moved from their residences or happened to earn a few dollars on odd jobs.

Hon. Mr. HAIG: May I ask the honourable senator a question? Does he suggest that this Bill would cure such conditions as existed in the thirties?

Hon. Mr. HUGESSEN: No. I suggest that it would go a long way towards remedying such conditions; and that if allowances as provided for in this Bill had been in effect in the thirties, most families throughout the country would be in far better condition than they are at present.

Hon. Mr. KING: Industry would have been better off, too.

Hon. Mr. HUGESSEN: During the depression period the people in many rural sections also were in a bad position. That was particularly true in the Western Provinces, which were afflicted with drought and crop failures, conditions to which my honourable friend the acting leader on the other side (Hon. Mr. Haig) referred so eloquently yesterday afternoon. There the same results followed from different causes. Crop failures dried up the sources of income, and in consequence numerous families were forced onto relief and had to accept charity, with all its degrading implications.

In those situations the worst features were not unemployment and crop failure, but conditions brought about by the lack of family income. Parents had no money to spend upon their children and were subjected to control by municipal and charitable organizations as to the manner in which relief allowances, in cash or in kind, should be applied. I repeat that if our people are determined on one point, it is that those conditions of the thirties shall not recur. This measure will insure to parents at least a specified monthly income which they can spend as they wish for the benefit of their children.

There has been some criticism of the possible cost of this measure. As I shall show in a few minutes, the estimated cost is about $200,000,000 a year. I suggest to honourable senators that it is far better to spend $200,000,000 a year in an equitable nation-wide distribution of income through the families of this country than to spend, as we did during the depression period, $900,000,000 in innumerable widely

divergent, uncoördinated relief projects. Those projects were intended to give work to unemployed men and to provide indirectly what this Bill provides directly—an income for families. I say that this legislation is much more consistent with human dignity than the measures that were adopted during the great depression.

Now, may I put this thought before honourable senators. These days we hear of many strange economic doctrines—doctrines which, it is quite useless to deny, appeal to a great number of our people. Why is that? I am convinced that it results from two factors. One is the grim, terrible remembrance burnt into the minds of hundreds of thousands of our people by the conditions of the 1930's, of what they then had to endure. The other is the proof, clear to all during the last four years, that this country can produce goods in such volume as, distributed equitably among the people, would enable everybody to live comfortably. What these doctrinaires tell us is very seductive. They say: "You had no reason to go through the miseries you underwent in the 1930's. The two old parties in power one after the other during that period subjected you unnecessarily to those miseries, as is proven by what has happened during the last three or four years. Throw those parties out and put us in power, and we will see that you do not suffer again." That, honourable senators, is a powerful argument. And it has got to be met. It is a challenge to those of us who believe in the present order of society. I submit it can only be met by legislation such as this, which will ensure at least a minimum standard of family life for all our people and a more equitable distribution of the wealth of the country. I repeat, measures of social security such as this are the only effective answer to the arguments of extremists that we hear every day. They are the only effective reply to those who wish to tear up our economy by the roots and plant in its place the doctrines originally proclaimed by Karl Marx, and now paraded by the parlour-pink professors of the C.C.F.

This Bill is, I submit, a logical sequel to recent trends of thinking and social development in this country. Family allowances are not new. They were, I am informed, adopted by many European countries before this war. In answer to my honourable friend who asked the question a few minutes ago, they were in effect in France and in Belgium before the war, and also, I understand, in Germany and in Russia.

Hon. Mr. HAIG: And in Italy.

Hon. Mr. HUGESSEN: I did not know that, and I am grateful to my honourable friend for so advising me. But I prefer to confine myself to the countries of the Empire. Family allowances were introduced in New Zealand in 1926, and the amount was increased last year. They were introduced in New South Wales in 1929, and in 1941 were extended to the whole of Australia at a rate of 5 shillings per week for each child other than the first. They were, I am advised, introduced in the Irish Free State last February.

Hon. Mr. HAIG: Right.

Hon. Mr. HUGESSEN: A few minutes ago I was told, though I have no official information, that the British Government has adopted the principle of family allowances, and will shortly give legislative effect to its policy. So, honourable senators, I think we can agree that Canada is in good company in introducing legislation of this kind.

But more than that, as a result of investigations made during the last few years we now have the advantage of the expert, trained opinion of those who have given extended study to this question. I mentioned the Beveridge report a few minutes ago. Sir William Beveridge is, I suppose, the most outstanding sociologist in the British Empire. With the permission of honourable members, I shall quote this short sentence from page 154 of his famous report:

> Social insurance should be part of a policy of a national minimum. But a national minimum for families of every size cannot in practice be secured by a wage system, which must be based on the product of a man's labour and not on the size of his family. The social surveys of Britain between the two wars show that in the first thirty years of this century real wages rose by about one-third without reducing want to insignificance, and that the want which remained was almost wholly due to two causes—interruption or loss of earning power and large families.

Which is exactly the point made by my honourable friend from L'Acadie (Hon. Mr. Leger). Then I want to quote a man who to-day is perhaps the most eminent economist in the British Empire, if not in the world—Lord Keynes. As honourable senators will recall, he headed the British delegation to the Monetary Conference held at Bretton Woods last month, and was regarded as the outstanding economist at that gathering. In 1940 he wrote a book entitled "How to Pay for the War". This is a short quotation from it:

> At first sight it is paradoxical to propose in time of war an expensive social reform which we have not thought ourselves able to afford in time of peace. But in truth the need for this reform is so much greater in such times that it may provide the most appropriate occasion for it.
>
> I share the view held by many others that this is so. I recommend—

This is Lord Keynes speaking.

I recommend, therefore, that a family allowance of 5s. per week should be paid in cash for each child up to the age of fifteen.

Honourable senators will recall that in May and June of this year the International Labour Conference met in Philadelphia. The representatives of forty-one nations were in attendance, all experts in matters of labour and social reform. Canada was among the countries represented. I hold in my hand the report of the proceedings prepared by the Canadian Government delegates. The conference set up a Committee on Social Security. This committee made a number of recommendations, from which I propose to quote the following:

Society should normally co-operate with parents through general measures of assistance designed to secure the well-being of dependent children.

(1) Public subsidies in kind or in cash or in both should be established in order to assure the healthy nurture of children, help to maintain large families, and complete the provision made for children through social insurance.

(2) Where the purpose in view is to assure the healthy nurture of children, subsidies should take the form of such advantages as free or below-cost infants' food and school meals and below-cost dwellings for families with several children.

(3) Where the purpose in view is to help to maintain large families or to complete the provision made for children by subsidies in kind and through social insurance, subsidies should take the form of children's allowances.

(4) Such allowances should be payable, irrespective of the parents' income, according to a prescribed scale, which should represent a substantial contribution to the cost of maintaining a child, should allow for the higher cost of maintaining older children, and should, as a minimum, be granted to all children for whom no provision is made through social insurance.

That recommendation, which was unanimously adopted by the conference representing, as I have said, forty-one sovereign nations, is more or less international in character. I wish now to come to the situation as it exists in Canada itself, and the information we have as to the desirability of establishing family allowances here. I have already referred to Dr. Leonard Marsh's report dated March 16, 1943, made to the Advisory Committee on Reconstruction on a scheme of social security for Canada. I quote from page 32:

The practical answer to the situation is that children's needs should be met as a special claim on the nation, not merely in periods of unemployment or on occasion of distress, but at all times. This is the basic case for children's allowances.

Then page 87:

Children's allowances are a clear part of the policy of a national minimum—of the direct attack on poverty where it is bound up with the strain imposed by a large family on a small income. Quite irrespective of whether the right parents have the most children, children should have an unequivocal place in social security policy. If we are concerned about the quality of parents and their children, the proper approach is not to condemn the children to hardship or inadequate conditions because their parents happen to be poor. The child has no choice. His opportunity in the modern community does not depend only on such advantages as he receives by inheritance from his parents, but on their income level, and on the children with whom he must grow up. The needs, of course, are greatest among the lowest income groups, but there are narrow margins for the families of many parents whose earnings by labour market standards would be regarded as reasonable or moderate.

Some persons may say, "That is the opinion of a theorist. Sociologists like Sir William Beveridge, and economists like Lord Keynes, take no account of the practical difficulties to be overcome." I venture to ask those persons this question: "Whom should we look to in this country for practical advice on this question?" I suggest there are two classes of people well qualified to advise us. First, our trained social workers, persons whose life-work it is to go among the poorer classes of the community, and who by that very fact are brought into daily and hourly contact with the problems involved in large families with small incomes. We have in this country an organization known as the Canadian Association of Social Workers, and, with the permission of the House, I am going to read an extract from a letter, dated July 8 of this year, written by Miss Elizabeth Wallace, executive secretary of the association:

The Canadian Association of Social Workers, a professional organization representing some 800 social workers across Canada, in a recent submission to the Dominion Advisory Committee on Social Security warmly commended the proposed introduction of family allowances.

I suggest there is another class of people to whom we should go for practical advice on this question, and that is the women of the country, who after all are charged with the duty of bringing up our children. Honourable senators may recall that the Committee on Reconstruction appointed a subcommittee of women to deal with questions more particularly relating to women in the reconstruction period. That committee consisted of a number of prominent women and trained practical workers from all parts of the country. I might say that they were headed by the wife of the Lieutenant-Governor of Manitoba. This is the unanimous conclusion reached by the Women's subcommittee:

The subcommittee strongly supports introduction of a system of children's allowances, and hopes that the establishment of this system will follow health insurance as soon as possible

It was then anticipated that health insurance would precede children's allowances.

It is the only system yet devised which will remove the poverty arising from the fact that a man's wage must be based on the product of a man's labour and not on the size of his family. The subcommittee believes that these allowances should apply to all families with children.

Hon. Mr. LAMBERT: May I ask the honourable gentleman if he would agree to add to his reference a recommendation of the Women's Reconstruction Committee which I think is very pertinent, namely, that the women at the heads of these families should have the apportionment of the children's allowances?

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. HUGESSEN: I am very glad to add that. I think it is perhaps a matter which this House should take into serious consideration when dealing with the Bill clause by clause in committee.

Hon. Mr. HAIG: Does the report say something on that?

Hon. Mr. HUGESSEN: Yes.

Hon. Mr. HAIG: Would the honourable gentleman read it?

Hon. Mr. HUGESSEN: I have only the extract which I quoted; otherwise I should be very glad to do so.

Hon. Mr. LAMBERT: That was the recommendation of Mrs. McWilliams.

Hon. Mr. HUGESSEN: There are other expert opinions which I could quote to the House if I were not fearful of wearying it. There is one which I shall merely refer to honourable members.

Hon. Mr. HAIG: Is there an indication in those reports that everybody who has children, irrespective of income, should receive the benefits?

Hon. Mr. HUGESSEN: Yes.

Hon. Mr. KING: There is no means test.

Hon. Mr. HUGESSEN: No. The reason is that if you give an allowance for children only when the parents are unemployed, you run the risk of people getting more when they are unemployed than when employed, and therefore losing the incentive to work.

Hon. Mr. HAIG: I was referring to subsection 1 of Section 8, which says that anyone who comes within the area of the income tax does not get anything at all.

Hon. Mr. HUGESSEN: I will come to that in a few minutes, if my honourable friend will allow me.

I was going to refer to the July 15th issue of Canadian Welfare, the monthly journal of the Canadian Welfare Council, of which Dr. George F. Davidson is executive secretary. I am sure a number of honourable senators are acquainted with Dr. Davidson and the great work he has done in the field of social reform. I just wish to indicate to them an article in which he supports the introduction of this Bill for family allowances.

The principle of this Bill, that of cash allowances for children, payable to the parents and increasing with the number of children in the family, is not new in our legislation. This measure merely generalizes and makes universal a principle already to be found in a number of our statutory provisions dealing with special cases.

First of all, there are the allowances which have been paid to dependants of members of the armed forces since the outbreak of this war. Honourable members know that when a man enlists in the Army, the Navy or the Air Force, his wife receives a separation allowance and assigned pay. She is also entitled to receive a further allowance for each child under 16 years of age supported by her, up to a total of six. The allowance for the first child is $12; for the second, $12; for the third, $10, and for the fourth, fifth and sixth, $8. These allowances have been paid on that basis since the commencement of this war. They are administered by a body known as the Dependents' Allowance Board.

An Hon. SENATOR: That is per month.

Hon. Mr. HUGESSEN: These allowances are paid by way of monthly cheques, the manner in which it is proposed that the allowances under this bill should be paid. What I am trying to point out is this. The Dependents' Allowance Board has set up and perfected machinery by which already under the regulations more than six hundred thousand monthly cheques are paid to the dependants of soldiers, sailors and airmen. It will not need very much of an extension of that machinery to permit the issuing of cheques to the 1,400,000 families which it is anticipated will derive benefits under this measure. So, from the point of view of administration, there should not be much difficulty.

Secondly, as honourable members know, under provincial legislation mothers' allowances are paid to mothers who are widows or whose husbands are invalids. Seven out of the nine provinces provide allowances. In fact, every province has them except New Brunswick and Prince Edward Island.

Hon. Mr. LEGER: New Brunswick has them now.

Hon. Mr. HUGESSEN: I am glad of the correction, and I thank the honourable gentleman. My information is a year old. Then, eight out of the nine provinces provide mothers' allowances. In the seven provinces to which I have referred, the allowance varies with the number of children under the care of the mother. It increases at an amount between $5 and $10 a month for each additional child under the mother's care.

A third example of the system of allowances for children is that to which my honourable friend opposite (Hon. Mr. Haig) referred a few minutes ago. For twenty-five years we have had in the income tax law a recognized principle that the taxpayer shall be allowed to deduct so much for each dependent child under the age of 18 years supported by him. At the present time that allowance is $108 per annum. So I think I am right in saying that the system of cash allowances for children, varying with the number of children under care, is no new feature in our legislation. It has been adopted either in positive form, by way of cash grants, or in negative form, by way of exemption from income tax. This Bill simply broadens the area of the principle of the income tax law. In substance, all it does is to extend to the poorer classes of the community, who need it most, allowances for dependent children, a privilege which those of us who are the fortunate possessors of taxable incomes have enjoyed for years past.

Section 3 of the Bill sets out the basis on which allowances are to be granted. Every parent maintaining a child or children resident in Canada will be entitled to a monthly cash allowance as follows—

Hon. Mr. DAVIES: May I ask the honourable senator a question before he gets to Section 3? I hate to interrupt him, because he is delivering a most interesting address, but I am a little puzzled about Section 2. Will these family allowances be given to the children of people who are not naturalized Canadians? That point does not seem to be very clear. We have many people living in this country who have never thought it worth their while to become Canadians. The honourable senator has spoken of "our people." Has naturalization anything to do with this at all?

Under paragraph (iii) of sub-section (b) of Section 2, a "child" is any person:

whose father's or mother's domicile at the time of such person's birth and for three years prior thereto was in Canada.

It does not say to whether the father and mother have to be naturalized Canadians or not.

Hon. Mr. HUGESSEN: I speak subject to correction; I am not quite certain; but I think the answer is that the allowance will be paid to unnaturalized parents, provided they are not in Canada contrary to the provisions of the Immigration Act.

Hon. Mr. LAMBERT: Children born in Canada.

Hon. Mr. HUGESSEN: Yes.

The allowance is $5 for each child of less than six years of age; $6 for each child between 6 and 9; $7 for each child from 10 to 12, and $8 for each child from 13 to 15.

Hon. Mr. HAIG: Cannot all children who are registered draw the allowance? They do not have to be born in Canada.

Hon. Mr. HAYDEN: No.

Hon. Mr. BENCH: If the father and mother are domiciled in Canada at the time of birth.

Hon. Mr. HAIG: That is not the question. A child born in Czechoslovakia who lives in Canada with his parents for three years and is registered can draw the allowance.

Hon. Mr. HAYDEN: That is right under the definition section.

Hon. Mr. HUGESSEN: I think these questions could be more aptly advanced in Committee. I was dealing merely with the general principle and the amount of the allowances to be paid. It is $5 for each child less than six years of age; $6 for each child of six or more but less than 10 years of age; $7 for each child of 10 or more but less than 13 years of age, and $8 for each child of 13 or more but less than 16 years of age. This recognizes the fact that as the child grows older he costs more to keep. The legislation further recognizes that the cost of maintaining a large family does not increase proportionately with each additional child, because at the end of Section 3 it is provided that families with more than four children—

Hon. Mr. HAIG: I am not sure of that.

Hon. Mr. HUGESSEN: May I be allowed to proceed?

Hon. Mr. HAIG: Sure.

The Hon. the SPEAKER: May I say to honourable senators that it is out of order to continue to put questions to the speaker who has the floor. In the committee there will be experts present to explain the Bill, and I believe our record will be much more intelligible if the honourable senator who has the floor is allowed to proceed without interruption.

Hon. Mr. HAIG: If I interrupted, I apologize. I thought my young friend was quite capable of taking care of himself.

The Hon. the SPEAKER: That may be so, but it is desirable that the honourable senator should be allowed to continue without interruption.

Hon. Mr. HUGESSEN: I thank you. I welcome any questions. My only fear is that if I am asked too many, and attempt to answer them, I shall exhaust my welcome.

Hon. Mr. QUINN: We won't limit you to forty minutes.

Hon. Mr. HUGESSEN: As I say, the legislation recognizes that the cost of maintaining a large family does not increase proportionately with each additional child, because in families of more than four children the allowance is reduced by $1 for the fifth child, by $2 for the sixth and seventh children, and by $3 for the eighth child.

These allowances commence on the 1st of July, 1945, at which time the Bureau of Statistics, on the basis of the Census of 1941, estimate that there will be approximately 3,500,000 children under the age of 16, divided among about 1,400,000 families. They also estimate that the total gross cost for July, 1945, will be $21,100,000, which is equivalent to an annual gross cost of $253,200,000. That gross cost will, as was pointed out by my honourable friend (Hon. Mr. Haig), be reduced by reason of Section 8 of the bill, which provides:

> Nothing in this Act shall preclude such adjustment of the deduction on account of a dependent child from tax payable under the Income War Tax Act as may be necessary to avoid duplication of benefits under the Income War Tax Act and this Act.

Those who under the Income War Tax Act already receive deductions from tax for dependent children will benefit, if they benefit at all, only to the extent that allowances under this Bill exceed those deductions. Let me give an example. A parent who has an income large enough to obtain the income tax deduction of $108 for the year in respect of a child under six would not be able to claim the $60 which he would otherwise receive in that year under the provisions of this Bill.

It is estimated that the number of income tax payers with dependent children is about 800,000. About 180,000 are entitled to the full income tax deductions, and so will not benefit at all under this Bill. The remaining 620,000 will benefit to some extent, according to the number of their children and the amount of income tax deductions in respect of them. To sum up this branch of the discussion: it is estimated that the total cost of family allowances will be $250,000,000, which will be reduced by income tax deductions of from $50,000,000 to $60,000,000, so the actual net cost of the scheme will be approximately $200,000,000 a year.

There is one aspect that I feel I should say a few words about, and I come to it with some degree of distaste. I want to refer to the position of my own province, Quebec. There have been claims that this measure will benefit Quebec far more than other provinces, by reason of the fact that generally speaking there are larger families in Quebec, and such claims have been unjustifiably used as excuses for stirring up racial prejudice. I do not like to deal with questions of this kind, but I feel it is my duty to do so. I would point out to honourable senators that though this legislation will benefit Quebec more than other provinces, the extra benefit will not be nearly as great as we are sometimes led to suppose. True, Quebec has large families, but the allowance payable for every child after the fourth in a family is on a reduced scale.

Out of the estimated total allowances of $21,000,000 in the month of July, 1945, it is expected that parents in Quebec will receive $6,700,000, and parents in Ontario $6,100,000. Honourable members will note that the difference there is not substantial. According to census figures compiled by the Bureau of Statistics for the year 1941, the percentage of each province's inhabitants who are under sixteen years of age—that is, the percentage for whom allowances would be paid—is as follows: Quebec, 35; Saskatchewan, 32; Prince Edward Island, 32; Alberta, 31; Nova Scotia, 30; New Brunswick, 30; Ontario, 28; Manitoba, 28; British Columbia, 23.

It will be observed that the differences between the various provinces, other than British Columbia, is not great. As between Quebec and Ontario, for instance, the difference is only 7 per cent. The proportion of young people in British Columbia is of course relatively small, because many of the residents of that province are people who have retired from active life to spend the remainder of their days in the delightful climate of the Pacific coast. Naturally, most of them would not have dependent children under the age of sixteen.

I deprecate attempts to use this great measure of social reform as a means of stirring up racial prejudice.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HUGESSEN: To do that is unjustified and un-Canadian. In this connection I feel it is my duty to refer to a speech made by the Premier of Ontario at a political rally in Richmond Hill on Wednesday evening. According to a report in the Montreal Gazette of this morning, Premier Drew said:

> We now have it from Mr. Godbout's (Premier Godbout of Quebec) own lips that this baby bonus is the result of his collaboration with Mr. King, and in the same evening Mr. King went out of his way in the House of Commons to point out the very special advantage this Bill offered to the people of Quebec.
>
> On Mr. Godbout's own statement, supported by the evidence of Mr. King himself, this Bill is an outrageous bribe offered to the people of Quebec immediately before an election, upon which Mr. King's last chance of political survival depends.

Hon. Mr. HARMER: Shame!

Hon. Mrs. FALLIS: Will the honourable senator permit a question? Having quoted the Premier of Ontario, will he now quote what the Premier of Quebec said on the same subject the other night?

Hon. Mr. HUGESSEN: I shall be obliged if my honourable friend will do that for me. I have not a report of his speech at hand.

Hon. Mrs. FALLIS: Neither have I. It seems to me to be hardly fair to quote one Premier and not the other.

Hon. Mr. HUGESSEN: If I were obliged to quote all the provincial Premiers, my speech would be of an inordinate length.

Hon. Mr. HORNER: And there is an election on in Quebec.

Hon. Mr. BLACK: May I be permitted to say a word? I am in favour of the Bill, and I am sorry that the matter of racial prejudice has been brought up in this Chamber. The honourable senator from Inkerman (Hon. Mr. Hugessen) has made an excellent speech up to this point. I beg him not to introduce a discordant note now.

Hon. Mr. HUGESSEN: Am I to be accused of introducing a discordant note? I am trying to show that the interjection of racial issues into questions of this kind is highly objectionable.

Hon. Mr. HORNER: You are making it worse.

Hon. Mr. HUGESSEN: Perhaps the only charitable explanation of those words by the Premier of Ontario is that the weather was hot and he got a little hot too. I do resent such statements, particularly because of their racial implications against my province, and I content myself with the thought that they will not add to the good name or the political reputation of men who make them. Surely, honourable senators, after seventy-seven years of Confederation we should be able, in this Chamber and throughout the country, to discuss great questions of social reform without the interjection of racial prejudice.

Hon. Mr. HORNER: That is what I say.

Hon. Mr. HUGESSEN: The remarks I have quoted were made by a man who I am told was a gallant soldier in the last war. But his gallantry becomes sadly tarnished when he uses a dirty weapon such as this.

As was stated by my honourable leader (Hon. Mr. King), this Bill is one of the evidences of a new era in our economic and social thinking, an era in which more attention is going to be paid to human values and less to property values. After all, children are the human capital upon which our country's future will depend. In a speech made in another place a few days ago the Prime Minister, referring to the old concept of rich and poor in a static society—

Hon. Mr. LEGER: I suggest that it is contrary to a rule of the Senate to identify an honourable member of the other House when quoting remarks made by him there.

Hon. Mr. HUGESSEN: In a speech by a very prominent member of another place—

Hon. Mr. LEGER: That is better.

Hon. Mr. HUGESSEN: —a quotation was made from a sarcastic poem on this subject of rich and poor in a static society. The poem, which appeared in "The Chimes" by Charles Dickens contains these lines:

> O let us love our occupations,
> Bless the squire and his relations
> Live upon our daily rations,
> And always know our proper stations.

I remember that one verse of a hymn which used to be sung in my childhood expressed a similar sentiment. The hymn, which I am sure many honourable senators will recall having sung in their youth, began with the words, "All things bright and beautiful." The verse in question went like this:

> The rich man in his castle
> The poor man at his gate:
> God made them high or lowly
> And ordered their estate.

That indicates the fixed condition of rich and poor as envisaged by the eighteenth and nineteenth centuries. It is perhaps unnecessary for me to add that the verse was removed from the hymn book a number of years ago. We have travelled a long way since those words were written, and we shall go much farther.

This Bill is one step forward. As my honourable leader pointed out, it is one of the many steps which this Government has taken and to which Parliament and the people, as adherents to the terms and principles of the Atlantic Charter, are committed, for it is a step along the road of our endeavour to give the people of Canada freedom from want and freedom from fear. I commend the measure to this honourable Chamber.

Hon. R. B. HORNER: Honourable senators, the honourable gentleman from Inkerman (Hon. Mr. Hugessen) quoted a verse. I would quote two lines:

> Oh, what a tangled web we weave,
> When first we practise to deceive!

I do not want to introduce a discordant note into this discussion, but I feel it my duty as a senator to oppose the Bill. I believe one of the purposes for which the Canadian Senate was created was that measures such as this, when brought down at a time like this, should be defeated. I am going to argue that there is no necessity whatever for the Bill. Last session the Senate and the other House each had a committee on reconstruction, and among those who gave evidence were Dr. Leonard Marsh and Sir William Beveridge. We have been told that Germany, Russia and Italy have or had legislation of this kind in effect. Well, I doubt if they will have it when they get a democratic form of government. I would say that in countries which have passed laws like this the children do not belong to the homes, but are creatures of the State. If we pass this Bill, who is going to claim with pride that he raised a large family? A man will no longer boast of how many children he has brought up. Instead, he will have to admit that the Government helped him. He will say, "The Government and I raised a family."

This great country, honourable senators, sparsely settled as it is, is still a pioneering country. We need men of initiative, diligent in their business, and thrifty, men who feel they ought to earn every dollar they properly can and manfully pass on their savings to their children. It is children of people like that who will inherit the earth. That is scripture. What incentive is there for thrift and industry when such a heavy burden of taxation is piled on us to provide for unemployment insurance, mothers' allowances and old age pensions? Now there is agitation to lower the age limit for these pensions, and it well may happen that both children and their parents will look to the Government for a living. Some time ago I read an article on successful men of the United States, men prominent in industry and business. It stated that 99 per cent of those men came from large families and had to get out and earn their own living when they were only twelve years of age. If there were family allowances during the boyhood of the Great Emancipator I doubt very much whether he would have developed as he did. At an early age he had to go out and work to provide for his education. This proposed legislation just manifests the fear that has seized members of the Government and other persons—fear of certain socialistic trends. The Government is trying to go one better than the socialists, and I believe that in doing so it will fall by the way as the government in my province did.

I am also fearful of the attitude of labour. The honourable senator from Inkerman (Hon. Mr. Hugessen) quoted figures that I hesitate to accept as authentic. He said that 600,000 people were receiving wages not taxable under the income tax law.

Hon. Mr. HUGESSEN: I think my honourable friend misunderstood me. The figure of 600,000 represented the number of monthly cheques issued by the Dependents Allowance Board to dependants of soldiers overseas.

Hon. Mr. HORNER: I thought you meant labourers.

Hon. Mr. HUGESSEN: Oh, no.

Hon. Mr. HORNER: It seems to me that legislation of this sort is a tacit admission that we are going to drift to the stage where we shall have large-scale unemployment. I am not one of those who think that children should suffer because their parents, through unfortunate circumstances, have become destitute. Let no child suffer. But if the Government is going to continue to pile up debt and taxes, I fear the time may come when I shall be inclined to say: "Let us have absolute inflation and start all over again." With all this intricate maze of taxes and the steadily increasing staff necessary for their collection and the writing out of cheques for social services, every man gainfully employed will soon have to pay two Government officials to wait on him, and the whole structure will break down. This so-called far-advanced legislation may suit a totalitarian state or an old country of small extent, but I do not think it is necessary in a great new country like Canada. If I may make a personal reference: at twelve years of age I was working in the woods handling great logs; I knew many boys at that time who, like our present-day agitators, enjoyed a high standard of living with not very much to do. I am very sorry to say that all of them have passed to the Great Beyond; I am still going strong.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HORNER: By assisting children too much you take from them the pride of accomplishment.

I believe it is the particular and peculiar duty of the Senate to reject this measure. This Chamber was created to prevent the enactment of such legislation. When everybody is earning plenty of money, it is nothing short of a crime to pile this additional burden on the taxpayers of Canada.

I do not think I need mention the circumstances surrounding this measure; honourable senators will understand me. I am opposed to it on principle and also because I believe it will do this country more harm than good. Let me repeat, I am concerned about what will happen if this legislation is enacted. How will it affect family life? How will our boys appreciate the value of money when they do not have to get out and earn it? How can we expect them to develop into great men if the Government takes them in hand from the day they are born?

Hon. Mr. DUFFUS: I did not want to interrupt the honourable member during his speech. Now I should like to ask him a question. If this measure is as vicious as the honourable senator has indicated, why with but one exception did all the members in another place vote for it?

Hon. Mr. HORNER: I do not think you want me to tell you why. Do you? If you do I will. Do you?

Hon. S. A. HAYDEN: Honourable senators, I think on a measure as important as this we should give the reasons why we support or oppose it. I for one am in favour of the principle of the Bill. I think I should explain why I support a measure which, we are told, will involve an annual expenditure of $250,000,000 and will impose a substantial burden upon the people of the country generally in order to apply the proceeds in one particular direction. In my view the measure is entitled to support on the grounds of social justice—natural law.

I was very much interested in the remarks of the honourable senator from Inkerman (Hon. Mr. Hugessen), and I wish to congratulate him upon his exhaustive treatment of the subject. I think this legislation might more properly be termed a child income bill, rather than a bill to provide for family allowances, since I prefer to deal with it from the standpoint of providing financial assistance for children who happen to be born to parents in receipt of a very small income. Having regard to the method under which we carry on business in Canada, there is a direct relationship between wages and the value of what is produced. If we give the man earning low wages some benefit by way of wage increase, so that he can attain to a higher standard of comfort, we accomplish nothing, because we have increased his cost of living and he will need another increase of wages to take care of the situation. You cannot establish as a principle that services should be paid for or material supplied at a price which has regard to the family situation of the individual performing those services or supplying those goods. The wages paid have to be based on the value of services or goods in relation to the end for which they are to be used. No matter what doctrine you may subscribe to, whether it be capitalism or state socialism, you must recognize the principle of relationship between wages and production. Otherwise our economic system cannot function, for we have to trade with the rest of the world if we are to carry out the ambitious programme embodied in the legislation which has been before us during the last ten days.

So I say the problem cannot be solved by attempting to increase the income of the man in the low-wage bracket. Therefore we have to find some other way of dealing with the situation, and the only reasonable way so far as I can see is to recognize that the State owes some obligation to the child. To-day when a child grows into manhood or womanhood its services are appropriated for the security and protection of the State, even to the extent of sacrificing the life of the child. Thus it is a direct responsibility of the State to see to it that the child is assured some decent measure of care, security, health, and education from infancy to adolescence. Once you recognize that responsibility you have to find the best way of assuring to the child, no matter what the circumstances of its parents, some source of income which will give it a decent amount of care, security, health, and education. And this is an investment by the State. If you provide means whereby the health and education of the child are improved, you cannot convince me that that does not enure for the benefit of society; that is, the State.

It has been suggested that the burden of this social security will be too great for our taxpayers to bear. The suggestion does not impress me very much, even though I am one of those who feel strongly that taxes should not be unduly high, and that our present taxation can be justified only in war-time. No economic system that I know of can or should be expected to carry the present bur-

den of taxation in peace-time, because it really takes away the incentive necessary for the proper development of business and industry. But I say that when, for the protection and security of the State in war-time, we are prepared, as we have been on a number of occasions, to vote a billion dollars by way of gift to the United Kingdom, and another billion dollars by way of mutual aid to the United Nations—all for the purpose of assuring a greater measure of security and protection for our own people—I am not terrified by the prospect of imposing an additional burden of $250,000,000 a year upon the taxpayers of Canada, having regard to the purpose for which the money is to be used. The money is not being thrown away, it is not being given away; it is being invested in the best asset we have in Canada—the growing children of this country, who in the future will govern and defend it and make it prosperous.

So I ask: What is twenty-five per cent of each of the several donations of a billion dollars to the United Kingdom? What is twenty-five per cent of the several votes of a billion dollars to mutual aid? What is it compared to the money we are ready to spend for the rehabilitation of other countries of the world? I say it is a sort of investment on the home front, and that we should be prepared to support it in a whole-hearted manner because it is the best investment we can make from the point of view of Canada.

I am not much concerned about the motive —if there is one—for introducing legislation of this kind at one time or at another. When the principle is as sound and as solid as the principle behind this legislation I do not care what the suggested motive may be. If we are in a position where, by a contribution of $5 or $6 a month to the maintenance, education, health and well-being of a child, we can change a home with a worried mother and distressed family life into a home that is happy and comfortable, we should be prepared to make that contribution. Even if the motive may be to procure votes, this is not the first time that legislation has had such a motive behind it. So let us be practical and not be shocked.

The principle behind the bill—the welfare of the child—is so worth while that I think we should direct our attention to that. The children have nothing to do with the situation in which they find themselves when they are born into a family of low income. In some sections of the country there are many people who have low incomes; in other sections you may find people with large families. But no matter what the condition may be nor in what part of the country it is found, if we look at the matter from the point of view of the child and not from that of geography or race, I think we shall be giving impartial consideration to the principle of the bill. And if we do that we must say that this is the only way we know of by which we can assist in giving the children a better start in life without upsetting the whole economy of business and our whole wage structure. This is not a sop; it is not a gift; it is not charity to the parents. It is a recognition of the fact that the State owes a duty to the child, because it demands of that child the assumption of certain responsibilities as it grows to maturity. I say that if the State demands something at one period in the life of the child it must be prepared to contribute when the child is in the formative period.

May I repeat? I can see nothing unsound in this legislation. I am not much concerned about the mechanics of it, except that I believe existing machinery should be used in order that as much as possible of the money which is taken out of the pockets of the people of Canada may be spent in bestowing a benefit on the children rather than in the administration of the plan. We should adopt a simple method for the distribution of this money, And that is what the Bill contemplates.

If those who are subject to income tax register and apply for the benefit provided by this Bill, they will have to pay back through the medium of a lower deduction from income tax. The allowance on income tax is now $108 per child. If a parent applies and registers for this benefit in respect of a child he will receive $6 a month, or $72 a year. If he happens to have enough income to make an income tax return, instead of taking the allowance of $108 in respect of that child, he will reduce that amount by $72, thus returning the $6 a month paid to him on the ground that he was in a low income bracket. That is logical and sound, and provides assurance that the money will go only to children who by reason of circumstances of birth are deprived of the measure of health, welfare and maintenance that should be the heritage of all the children of Canada. Therefore I am heartily in support of this Bill.

Hon. L. M. GOUIN: Honourable senators, as has already been so eloquently said by our colleagues from L'Acadie (Hon. Mr. Leger) and Toronto (Hon. Mr. Hayden) when discussing the matter of family allowances, we must never forget that children are the most precious asset any nation can have. They constitute a priceless spiritual value. They are the reserve of human capital. This

is particularly true of our Canadian democracy. We cannot give too much attention to the welfare of our rising generation because, our country still being insufficiently inhabited, a normal growth and sound development of our population is absolutely essential to our future prosperity and even our survival.

Canada is the land of plenty. We have an immense territory with almost unlimited natural resources generously entrusted to us by the Creator not only for the benefit of our people of to-day but also those of to-morrow. But in a young country as rich as ours, is it not really appalling to see millions of young Canadians underfed and insufficiently clothed, and to know that many of them do not receive an adequate education and that hundreds of thousands still live in squalid slums or hovels? Is this not a crime against humanity and against our nation?

The main cause for this deplorable state of affairs is to be found in the insufficient means of the parents, insufficient wages to wage-earners and insufficient returns to farmers and others. To achieve a general and more equitable readjustment of our present system of production and distribution would take a very long time indeed. What steps could be taken to provide that the father of a large family should receive more money than his fellow-worker with fewer children or none at all? It is exceedingly difficult to find a satisfactory solution to such a problem by means of a readjustment of wages or returns.

Under our present system, as has already been remarked, the amount of the wages to be paid is not and cannot be calculated upon the basis of the needs of the recipient. Wages being the price paid for one's services, the value of such services to the employer do not bear any relation to the family charges of the employee. Some people have advocated the imposition of a levy upon employers and employees at large for the purpose of paying a family bonus in addition to normal wages. Such a scheme, whatever may be its merits, is not in principle within the jurisdiction of the Parliament of Canada. Therefore I do not consider it practical to discuss here any contributory system of family allowances. I shall limit my remarks to the provisions of the Bill as submitted to us, without examining the many other courses which might have been followed but which, in fact, have been left aside.

The Bill in its present form is certainly constitutional. The question which we have to answer "Yes" or "No" right away, is: Are Canadian children entitled to obtain within the shortest possible time relief from the inhuman fate which is now the lot of so many? The present Bill gives an immediate answer in favour of the childhood of this country. The bill is not perfect, but I am confident that with the passage of time it will be improved. Nevertheless, in its present form it is at least a great and immediate step in the right direction; moreover only by means of Federal legislation can a practical solution be found at once to meet this real emergency. We have waited a long time, too long, indeed, and there is no reason or justification for waiting any longer.

Like many others, I would much prefer a provincial system of family allowances, because such a system would adapt itself more satisfactorily to the local needs and institutions of each of our provinces. This is also true of any other branch of social legislation. I am not speaking now in favour of transferring to Ottawa all our provincial rights in such an important matter; over-centralization is undesirable; but let us look at the facts as they are, not as we would wish them to be.

It is not possible financially for provincial governments to provide an adeqate system of family allowances. I remark here, however, with great satisfaction, that the Prime Minister of my own province has declared his intention of introducing legislation for the purpose of adding something to the sums to be given under the present Bill to families of more than four children.

I regret that in this Bill it has been deemed necessary to decrease the rate of allowance to parents in respect of their fifth and subsequent children. It seems to me that that provision is unfair, for it deprives such children of opportunities enjoyed by the children in smaller families. But let us be practical. Half a loaf is much better than no bread at all, and it should not be refused. For years and years the school of social thought to which I belong has been advocating family allowances, but no positive and concrete success had been recorded. At last the principle is recognized and applied, though not in the form that we originally had in view. Theoretically, we may prefer another plan, but at present we have to consider the plan before us. That plan will be highly beneficial to the children of Canada.

Though I have had to criticize certain features, I feel it would be a great error to oppose the Bill. On the whole, the measure deserves my support, and it is clearly my duty to vote accordingly. This legislation will help in a substantial way to secure for all Canadians freedom from want and freedom from fear. Thus, as was so well stated by my honourable colleague from Inkerman (Hon. Mr. Hugessen), it will to a large extent implement the Atlantic Charter.

By introducing this measure, which will provide our children with better food, better housing and better clothing, and with better education as dispensed under the proper provincial authorities, the present leader of the Canadian people has proved once more that he is not only a world-famous statesman, but also a pioneer and an apostle in the field of social reform, and a great humanitarian. His Christian ideal has inspired the Prime Minister to give to our country this generous and highly beneficial measure, which will forever entitle him to the gratitude of all generations to come.

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

FAMILY ALLOWANCES AND OLD AGE PENSIONS

OPINIONS OF DEPARTMENT OF JUSTICE

On the motion to adjourn:

Hon. Mr. KING: Honourable senators, in the debate this afternoon a question was raised as to the constitutionality of the Family Allowances Bill. The Government, of course, depends for legal advice on the Department of Justice. I desire to lay on the table a copy of opinions given by the Department on the constitutionality of this Bill and of the old age pensions measure. I do this so that honourable members who wish to inform themselves of the decisions may do so.

Hon. Mr. LEGER: Is that the Supreme Court decision on the question of old age pensions?

Hon. Mr. KING: No. These are copies of opinions tabled by the Minister of Justice in another place, in reply to a question concerning the constitutionality of these two measures.

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

THE SENATE

Friday, August 4, 1944.

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

Prayers and routine proceedings.

CANADIAN BROADCASTING BILL

FIRST READING

A message was received from the House of Commons with Bill 179, an Act to amend the Canadian Broadcasting Act, 1936.

The bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. KING: If there is no objection, I would move second reading now.

Hon. Mr. HAIG: The Bill has not been distributed.

Hon. Mr. KING: Then we must wait. Next sitting.

CUSTOMS TARIFF BILL

FIRST READING

A message was received from the House of Commons with Bill 167, an Act to amend the Customs Tariff.

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 was discussed before our Committee on Finance. My honourable friend from Toronto (Hon. Mr. Hayden) has kindly consented to explain it on the motion for second reading.

Hon. SALTER A. HAYDEN: Honourable senators, the Bill provides for eighty-eight amendments to Schedule A of the Customs Tariff, and three amendments to Schedule B.

When these amendments were in the resolution stage they were before the Committee on Finance, and various items were explained. I may say that there are no increases in the tariff, and that five of the eighty-eight items in Schedule A are new.

One of these new items provides for duty-free entry from all countries of bottles and other necessary apparatus for the collection, preparation, storage, transportation or administration of blood serum or plasma. Under another new item trophies of war from any country may be brought in free of duty. We were informed that immediately after the last war a number of trophies were imported, and this item anticipates importations of that kind after the present war ends.

A third new item provides for duty-free entry from all countries of plates and films used for lithographing text-books for schools, colleges and universities.

Heretofore one item has covered medicines and pharmaceutical and chemical preparations. Now there is a new item which applies to chemical preparations only, and the rate of duty on them has been lowered.

The three items which formerly provided for duty-free entry of pure-bred rabbits are replaced by one item covering all kinds of pure-bred rabbits.

For many years there has been in the Customs Tariff an item permitting duty-free entry of vaccine points. This item has been enlarged to cover containers for vaccines, toxoids, bacterins, toxins, serums containing immune bodies including anti-toxins, glandular extracts and antibiotics.

Methyl-alcohol—that is, industrial alcohol—has been deleted from the item covering potable spirits, which are subject to a very high rate of duty, and placed in a separate item on which the tariff will be twenty cents a gallon.

All customs duties on agricultural machinery and implements, as well as on materials used in their manufacture, have been eliminated. Included among the many articles that will now come in free are cultivators, harrows, seed-drills, ploughs, harvesters, feed cutters, cream separators, milking machines and portable engines with boilers for farm purposes.

The wording of twenty-five textile items in the tariff has been revised by substituting the words "synthetic textile fibres or filaments" for the words "artificial silk." In some cases the words "synthetic textile fibres or filaments" are substituted for the words "artificial silk or similar synthetic fibres, produced by chemical processes." These amendments are made in order definitely to establish the same tariff treatment for all synthetic textile fibres, regardless of the material from which they are made.

The natural rubber items will now cover both natural and synthetic rubbers, so that both kinds may carry the same rate of duty.

The amendments of a number of other items are mainly for the purpose of eliminating anomalies and facilitating administration. For instance, the item "glass eyes" did not cover plastic eyes, and the wording has been changed to "artificial eye," which description will include both glass and plastic eyes.

Schedule B covers items subject to drawback. Since agricultural machinery and implements have been made duty-free, in order to be logical it has been necessary to extend the drawback of 99 per cent to steel and other materials imported for use in the manufacture of such machinery and implements.

Another item added to the free list is baling twine. This is made from the same material as binder twine, but it is of slightly heavier construction. It is used for baling hay.

I may say that following the placing of agricultural machinery and implements on the duty-free list, the Government passed an Order in Council eliminating the 10 per cent exchange tax to which these items were subject. All these tariff changes become effective as of June 27 this year.

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: Now, with the leave of the Senate.

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

FISHERIES PRICES SUPPORT BILL, 1944

FIRST READING

A message was received from the House of Commons with Bill 169, an Act for the support of the prices of fisheries products during the transition from war to peace.

The bill was read the first time.

SECOND READING

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

Hon. J. H. KING: By leave of the Senate, now.

Hon. JOHN T. HAIG: Honourable senators, I wish to say just a word about this Bill. The principle of the Bill is exactly the same as the principle of the Agricultural Prices Support Bill which we passed earlier this week. The only difference between the two, as I understand it, is that in this case the appropriation is $25,000,000, whereas in the other it was $200,000,000. I am not an authority on fish, but I think the Bill is along the right line. Before I resume my seat, I would just remind honourable members who know more about this matter than I do, that it is their right to speak if they so desire.

Hon. Mr. KING: In character the Bill is exactly the same as the one relating to agricultural commodities, and it is hoped that it may be productive of much good in the fishing industry.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: Now.

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

SITTINGS OF THE SENATE

Hon. Mr. KING moved:

That when the Senate adjourns to-day it do stand adjourned until Monday, August 7, at 3 p.m.

He said:

I make this motion now so that honourable members may be warned that on Monday we will sit in the afternoon.

Hon. J. J. DUFFUS: Honourable senators, I hold in my hand a copy of the Official Report of Senate Debates of yesterday. It will be noted that at page 445 I asked the honourable senator from Saskatchewan North (Hon. Mr. Horner) a question. My remarks are as follows:

I did not want to interrupt the honourable member during his speech. Now I should like to ask him a question. If this measure is as vicious as the honourable senator has indicated why with but one exception did all the members in another place vote for it.

I did not at the time catch the significance of the honourable member's reply, but I shall read it. He said:

I do not think you want me to tell you why. Do you? If you do, I will. Do you?

I said yesterday that I did not wish to interrupt the honourable gentleman; and while I do not wish to inject anything in the nature of sarcasm into the discussion, I should now like to hear the honourable gentleman's answer to the question.

Hon. Mr. HAIG: The honourable gentleman cannot get it now.

The Hon. the SPEAKER: I would point out to the honourable senator that this is not a question of privilege, and that yesterday the debate was adjourned, and has not yet been resumed.

Hon. Mr. DUFFUS: I know the honourable member from Saskatchewan North is very happy that he does not have to answer.

The Hon. the SPEAKER: I would point out to the honourable senator that the debate has been adjourned, but that he will have an opportunity to ask his question when the debate is resumed.

It has been moved, honourable senators, by the Honourable Senator King, seconded by the Honourable Senator Copp, that when the Senate adjourns to-day it do stand adjourned until Monday, the 7th of August at 3 p.m.

Hon. Mr. HAIG: I am not objecting to the motion, but I wonder why we are not going to sit Monday night.

Some hon. SENATORS: Oh, oh.

Hon. Mr. KING: There is a very good and sufficient reason.

Hon. Mr. COPP: There is no evidence that we will not sit Monday night.

The motion was agreed to.

PROCEDURE IN DEBATE

The Hon. the SPEAKER: Honourable senators, at this point I should like to call attention to the fact that when a motion is moved it should be put from the Chair and be disposed of before we proceed to anything else. I do not wish to interrupt honourable senators when they rise in their places to address the Senate; on the other hand, our procedure would be much more regular if we were to deal with the question under consideration before proceeding to something else.

Hon. Mr. HAIG: I rise to a point of privilege. When a motion has been put, once his Honour the Speaker says, "Carried" I cannot intervene.

The Hon. the SPEAKER: The honourable gentleman is quite right. He was addressing himself to the motion. I had in mind the interruption by the honourable senator from Peterborough West when the honourable the Leader of the Government had moved the adjournment of the House. If this were only an isolated instance I would not mention it, but honourable senators frequently intervene before the question is put from the Chair.

Hon. Mr. MURDOCK: May I suggest that the honourable senator from Peterborough West was on his feet when the Orders of the Day were called. He was trying to ask a question, but our Leader got ahead of him and was noticed first.

The Hon. the SPEAKER: I am not blaming the honourable senator from Peterborough West at all, and I do not want my remarks to be so interpreted. I am simply calling attention to the fact that honourable senators frequently interrupt before I have an opportunity of putting to the Senate the motion that has been moved. I had not noticed that the honourable senator from Peterborough West was on his feet at the same time as the honourable the Leader.

FAMILY ALLOWANCES BILL

DEBATE CONTINUED

The Senate resumed from yesterday the adjourned debate on the motion for the second reading of Bill 161, an Act to provide for Family Allowances.

Hon. JOHN T. HAIG: Honourable senators, I shall endeavour not to delay you too long.

I was greatly interested in the address of the honourable senator from Inkerman (Hon. Mr. Hugessen). He presented a very fine case to prove that family allowances are very desirable, and he cited many authorities in support of his argument. I noticed that all the persons he quoted as authorities were in favour of family allowances, but he entirely failed to mention the poor taxpayer, who, I may tell him, was mentioned frequently in the election in the province of Saskatchewan. I also failed to hear him mention the various bureaux that will have to be set up under the Bill. The bureaucrats were frequently referred to in Saskatchewan.

So that there may be no misunderstanding, may I say that I do not believe there is a member of this House who is opposed to the general principle of family allowances. The honourable senator from Saskatchewan North (Hon. Mr. Horner) said that he was opposed to them, but I think that he is against certain things that are being done rather than against the principle.

In any event, I am in favour of the principle of the Bill, and I should think this would be true of honourable members of this House who have gone through the experience of bringing up and providing for children of their own. Speaking candidly, when I have said that, I think I have said all that can be said in favour of the Bill. Any further remarks I make are not a criticism of the principle of family allowances, but rather of the way in which things have been done.

I am persuaded that there are grave doubts about the constitutionality of this measure; but I do not think that will weigh one way or the other, because if the Bill is unconstitutional the great body of public opinion in Canada would be that it could be amended in such a way as to make it constitutional, and, if necessary, that power could be secured for that purpose.

I think this matter has been approached in the wrong way. I believe that family allowances should be administered by the provinces. I am fearful of the growing power of the Dominion as against the provinces in all fields of endeavour. I would not say that if Canada were the size of, say, the province of Quebec or the province of Ontario. But this Dominion stretches for thousands of miles from east to west and from north to south. Nearly every province is a compact unit. It could be said that the Maritime Provinces are a territory by themselves, and the same is true of Quebec, Ontario, the Prairie Provinces and British Columbia. In reality there are five countries in Canada so far as geography is concerned, and the administration of such matters as family allowances, old age pensions, mothers' allowances and kindred subjects could therefore be best administered by the provinces.

During the years of depression the question arose whether the Dominion Government, the provincial governments or the municipalities should take care of unemployment. At that time the Dominion Government held that it was a matter for the provinces, and they in turn held that it could be turned over with advantage to the municipalities.

Now I digress. The honourable senator from Inkerman said that the granting of allowances to children would have lessened the effect of the depression when it occurred, or at least that was the impression he left on my mind. I do not believe this is the way to meet the challenge of the C.C.F. in this country. They are arguing that the older parties were in control in this country at the time of the depression, and therefore were responsible for it. Nothing could be further from the truth. The depression was caused by conditions quite beyond the orbit of Canadian life, conditions beyond the reach of anything we could have done. Yet this contention is being made. This is a vital matter. My own children have spoken to me about this subject. They have said: "Weren't you and the old party politicians in charge of things? Why didn't you see this depression coming and stop it?" But what could we have done. We know that following the first great war the United States lent millions of dollars to Germany, part of which was used to pay indemnities to France, and the rest for Germany's own purposes. That brought about a condition of activity in the world. If you will look at the records you will find that in about 1928 or 1929 Germany started to put a tariff against our wheat. So did Italy. Why? Because they remembered that in the last war they were almost starved to death when the British and American navies kept food from going into Central Europe, and as they were getting ready for another war they were bound and determined to raise their own wheat. Hitler had not yet come into power; he was in opposition and not very influential at that time. That was the beginning of world-wide over-production, which before long brought about the depression.

Take industry in Canada. It is no use to say that because of something the Government did you could not sell binders made in Brantford or trucks made in Windsor. If the farmers cannot sell their products they cannot buy the implements and commodities they need, and when the demand for these

things ceases you have unemployment. There is an economic circle. In 1928 and 1929 the world was rushing around in a spirit of nationalism or isolationism, whatever you may call it. That was what caused our depression, for no country in the world is more dependent on world conditions than Canada is. It is for this reason that I have been so strongly in favour of various items of Government legislation with regard to exchange in foreign countries. We have to watch that.

In my judgment the way to answer the C.C.F. is to state these facts, not to pass legislation like this. Every time—mark my words—every time we try to out-C.C.F. the C.C.F. we simply add to their armament. The thing to do is to try to educate our people as to what caused the depression. Western Canada, whose normal buying power is very large, had a crop failure straight through for five years. You may blame the hard times that we had out there on crop failure, or rust, or grasshoppers, or what you will. The fact is that if there had not been a world depression we still would have suffered great distress in that part of the country, because our buying power was greatly decreased. Look at the picture for this year. The three western provinces will probably have a crop of between 450 and 500 million bushels, valued at from 500 to 550 million dollars. That will give those provinces a tremendous buying power. True, under present regulations, the people cannot buy everything they want, but they will save a good deal of that money and use it when goods become plentiful again. Everything will be all right so long as there is a demand for our 450 million bushels, but what will happen when we only have to provide for our home consumption of about 60 million bushels?

Hon. Mr. KING: It is much more now.

Hon. Mr. HAIG: Not much more. It is generally considered that the consumption of wheat for food averages about five bushels per person. Perhaps 50 or 60 million bushels are required for feed and seed. Say our total consumption is 125 million bushels: there will remain a surplus of 350 to 400 million bushels to dispose of on world markets.

The fundamental fact to bear in mind is that our depression was caused by a world condition that we had very little to do with. The sooner we make that known to our young men and women who are advocating C.C.F. policies, the better for them and for us. I am not afraid that the young people who have been educated in the schools, colleges and universities of this country in the last fifteen years will go wrong if the facts are put to them in a way that they can understand. They are being told that by manipulation of this and that you can make a country prosperous. What we must make clear is that our prosperity depends upon world conditions. I am glad to see that the Government has been sending representatives to meet with delegates from Great Britain, the United States and other powers and discuss world markets. It will be of vital importance to us after the war that we get our proper share of these markets.

What I have been saying is more or less on the side, except by way of answer to the statement that legislation such as this might prevent a depression. I do not think it could.

As to the cost of measures like this, some people say that if we can raise money to carry on a war we can raise money to carry on the peace. But wartime financial conditions and peacetime financial conditions are altogether different. In September 1939 we made a unanimous pledge—be it to our credit—that we would go into this struggle and see it through to the end. Thank God we are getting close to the end now. The people are willing to pay high taxes while the war lasts, but after peace comes they will protest against the present rates. I am not thinking of the rich and well-to-do, with incomes of $5,000 or more, but of the classes who never paid taxes until the exemptions were reduced to $660 for single persons and $1,200 for married men.

I am persuaded that the lowering of these exemptions had as much as anything else to do with what happened in the Saskatchewan election. Those who followed that election and are familiar with conditions in the West will tell you there are two things that people in the small towns out there are wrangling about. One is the income tax. Formerly, when the exemption was $1,000 for a single person and $2,000 for the head of a family, plus $400 for each child, very few people in those smaller places paid any income tax at all.

The second thing that agitates them greatly is the large number of regulations. I have not exact figures before me, but I understand that up to the first of July some 44,000 Orders in Council had been issued under the War Measures Act, and that the number of regulations made on the authority of these orders was about 400,000. They affect the whole population, and the C.C.F. is making capital out of the annoyance they cause. One thing the war has shown is that under a system of Government control we are sure to

have a great extension of bureaucracy. Thousands of men and women are now engaged in seeing to it that the 400,000 regulations are carried out.

People all over the country are rebelling against the pettiness of some of these regulations. Let me refer to one order made by the Wartime Prices and Trade Board. Honourable senators will understand that I am not criticizing the Board, for we know it has done good work. Price controls have benefited us all, and no one would suggest that we ought not to have had them. The Board issued an order that you could purchase only one pair of pants with a suit. I would describe that as a joke of an order, because it prevented you from getting more than about half the possible use out of the coat and vest. At the Liberal party conference in Ottawa last September there was a row, and this order was repealed. Some other orders are equally nonsensical, and many of the Board's officers and employees are impractical. I could cite dozens of annoying examples, which make me angry every time I think about them. I know I am digressing, and I hope honourable members will pardon me. The point I am trying to emphasize is that by and large the only way to go after the C.C.F. is by informing our young people of the need for proper controls in war-time, and not by passing measures such as this.

I think this legislation should be administered by the provinces. Before I go farther along that line I want to say something political. I am persuaded that if we were not going to have a federal election within the next six months a conference would have been held with the provinces and an attempt made to work out a policy whereby they would administer the payment of these family allowances. My province of Manitoba was a pioneer in mothers' allowances; if I am not mistaken it was the first province to have them. The scheme has worked well, but it is costing nearly twice as much as was estimated when it was first proposed in the legislature. Do not be misled about the cost of these children's allowances. Instead of $250,000,000, it will be nearer to $500,000,000. But if we are right in passing a law of this kind, its cost should not be a serious objection.

I am all for provincial administration of schemes like this. The provinces would turn the actual carrying out of the scheme over to the municipalities, which do a better job in matters of this kind than any other bodies can. I know that in Manitoba unemployment relief was administered far better in the municipalities than in unorganized districts. The provinces and the municipalities are closer than the Dominion is to the recipients of benefits under measures of this kind. We see that Ontario and Quebec are objecting to the reduction in allowances when there are more than four children in a family. If a personal reference is permissible, I must say my experience was that with every additional child the cost of maintenance seemed to go up.

Another objection to the Bill is that it does not provide for allowances in respect of children older than sixteen. Those of us who have raised families know that the most expensive period in a child's life is between the ages of sixteen and twenty, when the child is attending high school or university. True, this legislation may be intended principally to benefit what are known as poor people. I dislike that term, but I do not know what other one to use. In any event, children of so-called poor people have the same right as other children to a good education. I do not say that high school or university education will make boys and girls better citizens than they would otherwise be, but I am persuaded that by and large those who graduate from our high schools and universities are better qualified for the struggle of life than those who do not go beyond grade six. I can point to a number of men in our own city who, though having had little formal education, are well-to-do and influential citizens. People of that kind would make a success if they had no education at all. But what about the average person? I am convinced that his chances in life are more or less proportionate to the degree of his education.

The provinces and the municipalities are closer to the people than the Dominion is, and therefore I am opposed to federal administration of these allowances. The Dominion will have to set up a large nation-wide organization, with branches in every province, in order to see that the terms of the Act are lived up to. But however large the organization may be at the start, it will tend to grow steadily and develop into a bureaucracy. I am afraid of the Dominion Government's encroachments on the social services of the provinces. I am quite willing that the great bulk of this money should come from the Dominion, but I think the provinces should be entrusted with the administration.

The policy of family allowances has been adopted in France, Belgium, Italy and Germany, but not in the Scandinavian countries. I would ask honourable senators to note carefully what I am about to read:

Sweden, Norway and other European countries investigated and rejected the policy on the

ground of cost. They decided that the wiser course was to give aid to needy families in services and in kind.

Hon. Mr. KING: What paper are you reading from?

Hon. Mr. HAIG: From an article by Grant Dexter, which appeared in the Winnipeg Free Press on the first of this month. The article continues:

The United States National Resources Planning Board in 1942 reported against the policy. The board believed that wages and prices should be high enough to meet basic needs.

The Quebec Commission of 1930 turned down allowances because of the probable effect on wages. The Commission regarded the policy as a means of keeping wages down. No consideration appears to have been given to the effect of allowances on the rural population.

I have read these extracts to show that all is not clear sailing, that everybody is not in favour of this legislation.

The estimated cost of the proposed family allowances is said to be $250,000,000. My own figure was $240,000,000, which is pretty close. There are two ways in which this money could be divided—either among the provinces on a per capita basis, or, as the Bill provides, by payment directly to the children's parents. The cost of family allowances is estimated to be $1.79 for each child.

Hon. A. L. BEAUBIEN: Under sixteen years of age.

Hon. Mr. HAIG: Yes. That estimated cost does not take into account deductions for income tax exemptions. These family allowances are to be distributed by the federal Government directly, so Quebec will gain $9,196,320, while Ontario and Manitoba will lose $8,636,640 and $613,200 respectively. My honourable friend opposite referred to the Premier of Ontario. Well, with these figures in front of him I can quite understand that he and his Government would feel very uneasy about this proposition.

Hon. Mr. DUFFUS: I do not want to interrupt the honourable gentleman again, but may I ask the source of his figures?

Hon. Mr. HAIG: They appear in the Winnipeg Free Press. The article is by Grant Dexter.

Hon. Mr. MURDOCK: Is that a reliable paper?

Hon. Mr. HAIG: It is the best I could find in favour of the Bill. If I had quoted the views of the Winnipeg Tribune or the Toronto Globe and Mail, my honourable friend might have objected. The Winnipeg Free Press cannot be accused of being against the Bill.

I am quite willing to accept either basis of distribution, but I say the grants should be administered by the provinces.

Hon. A. L. BEAUBIEN: The honourable gentleman has just mentioned the uneasiness of the province of Ontario in regard to family allowances. Has he observed any uneasiness in the other provinces? I have not.

Hon. Mr. HAIG: It is only in the last couple of weeks that the Bill has come before Parliament.

Hon. A. L. BEAUBIEN: Articles on the Bill appeared in the newspapers.

Hon. Mr. KING: I am quoting one newspaper.

Hon. A. L. BEAUBIEN: The uneasiness comes only from the Premier of Ontario.

Hon. Mr. HAIG: No. I am disturbed, and I think we as senators ought to be disturbed about this legislation. We might as well look the situation straight in the face. There is great uneasiness in Ontario, and if in the coming federal election kindred issues are raised you will have a tremendous sweep in one direction in one province and in exactly the opposite direction in another. We as senators do not want that sharply marked division of opinion. Absolutely not! We who live outside Ontario and Quebec—I say it with all kindness towards the two provinces—must go out of our way to see that the policy adopted will make it possible for the people of Ontario and Quebec to live together in peace and good will.

Hon. Mr. KING: Hear, hear.

Hon. Mr. HAIG: That is why I am suggesting this course. If provision were made for the provinces to administer these family allowances there would not be half the present objection from Ontario. But objection to the Bill is not confined to that province. I tell you candidly that under the surface Quebec is not so delighted by the fact that the Dominion Government will administer family allowances in that province. The provincial authorities would rather do the work themselves. You only have to go into the province to find that I am correct in my statement. Further, the people of Quebec think the Bill discriminates against large families. This is obvious from the fact that Premier Godbout in a recent speech promised a provincial contribution to remove this so-called discrimination.

I am in favour of children's allowances. I remember when I was not. I questioned the policy when it was first put forward in

Manitoba. I am glad to say that it has worked out most successfully there. Some honourable member yesterday said that that policy has been copied in the other provinces with the exception of Prince Edward Island. I do not know why it was not copied there. I repeat, I wish the Bill provided for distribution of the allowances by the provinces rather than by the Dominion. My honourable friend may say that the plan will be so worked out, but this cannot be done unless at the outset there is an agreement with the provinces. I am quite willing to accept the figures furnished by the Department as to the number of children who will be entitled to these allowances, but I think the money should be turned over to the provinces so that they may co-ordinate this service with their other social services.

Hon. IVA C. FALLIS: Honourable senators, as this subject was discussed at great length yesterday and has been very ably presented to us this afternoon by the honourable acting leader on this side (Hon. Mr. Haig), who has just sat down, I am sure you all feel that not much remains to be said. But of course a woman would not be running true to form if she did not want to have the last word.

Hon Mr. HAIG: Hear, hear.

Hon. Mrs. FALLIS: When this measure was introduced into the House of Commons its objective as then announced was to bring about a greater measure of well-being, in the fields of nutrition, health and education, for the children of Canada, especially those whose parents were in the lower income groups. As the honourable acting leader has very well said, no one in this Chamber objects to the principle of the Bill. We are all in accord as to the desirability of attaining the objective sought, though some of us may have different ideas as to the best methods to be adopted.

In February last, speaking in this Chamber in the debate on the Address in Reply to the Speech from the Throne, I think I made clear in a general way my own personal stand on matters of this kind. With the consent of the House, I will read a few lines of what I said on that occasion:

> We all appreciate the fact that there are certain cases and certain conditions calling for the payment of cash grants to individuals. But personally I should like to see the emphasis placed upon services first, and cash grants made supplementary to those services.

That is still my opinion. I have followed the debates in the House of Commons and here, and have read what has appeared in the press with the greatest care. While I am not opposing the Bill in its present form, I still would prefer to see the greatest emphasis placed on the extension of essential services, for then we would know that the children were getting the direct benefit. The cash grants should be supplementary.

Yesterday my honourable friend from Inkerman (Hon. Mr. Hugessen) referred to the support which the Women's Committee were giving to this Bill. I have had many representations and communications from groups of women who have been studying this subject, women with families where the income is not in excess of $2,000. They tell me that while they are not opposed to the Bill and, like myself, are in full accord with the objective aimed at, they are uneasy on two scores: first, they fear these cash payments may take the place of higher wages for their husbands; and, secondly, they have been looking forward to a great expansion of social services throughout the country, and fear that the payment of children's allowances may to a certain extent curtail the expansion of those services, especially the yearly medical check-up, the twice-yearly dental check on all children under sixteen years of age, with free medical attention as needed, the extension of health clinics to rural centres, the electrification of rural homes and the extension of educational facilities in rural areas, which of course includes better salaries for the teachers.

It has been said that this Bill will provide greater educational advantages for children in the low-income groups. That to a certain extent is true, but I would point out to honourable senators that it does not necessarily follow in rural areas, particularly when educational facilities do not exist in those areas. If a community is not financially able to pay good salaries in order to secure the best teachers, I cannot see how the cash allowance will meet the situation. Further, I think honourable senators will agree that in every community there are great numbers of parents who are careless about the education of their children, and not at all convinced that they need any great amount of education. I am not at all certain in my mind that the placing of a few extra dollars each month in the hands of such parents is going to change them overnight and cause them to desire an education for their children, and make them willing to spend the money to that end.

The feature which has been stressed most, perhaps, and which, I may say candidly, is responsible for my support of the Bill, is the hope that these bonuses may be the means of building healthier bodies for our Canadian children in the future. I think that in the

great majority of homes these extra allowances will help to counteract the malnutrition which has been all too prevalent among the youth of our land. But while that may be true of a majority of homes, once again it will not be true of all. I am sure the honourable the Leader of the House, who is a medical man, will agree with me when I say that malnutrition among the children and the youth of our country is not always due to a lack of money, but in many cases results from money being spent on the wrong kind of food and the improper cooking and careless preparation of meals.

I note that in another place some of the speakers in dealing with this phase of the matter have suggested that educational pamphlets on nutrition should be sent into the homes where they are thought to be needed. Personally, I do not think this would be very effective. I think these pamphlets would meet the fate of most pamphlets that come into the home—they would be consigned to the waste-paper basket or would be used to light the kitchen fire.

On the other hand, I think a great deal could be accomplished by making use of existing services. I have spoken before of the wonderful work done by the Victorian Order of Nurses—I cannot speak too highly of that organization—and it is my opinion that by giving more financial support to the work they are doing in sending trained housekeepers into homes where medical check-ups have shown the existence of malnutrition, much could be done to remedy a really serious situation. These housekeepers could show by practical demonstration what foods should be bought, how they should be bought and how they should be prepared.

I have given these few examples just to illustrate my point when I say that in supporting the principle of the Bill I sincerely hope the payment of cash allowances will not in any way curtail the extension of services which will be of much practical benefit to the children of Canada as a whole.

Now, there is one other matter to which I should like to refer. It relates not to the Bill, but rather to the method of presentation. I support the honourable the Acting Leader on this side of the House (Hon. Mr. Haig) in opposing the manner in which this legislation has been prepared and introduced. The honourable the Acting Leader has said that the provinces should be charged with the administration. I agree with that, and I would go even further and say that the provinces should have been consulted before the Bill was brought to Parliament. Let me repeat. I do not oppose the principle of the Bill, but I do object to the undue haste with which it is being adopted. This is a Bill of extreme importance. In order to carry out its provisions, it will be necessary to impose very heavy taxes upon everybody. Yet the Bill is submitted to Parliament without the provinces being consulted. It has been brought down at the fag end of the session, when there is not even time to send it to the social security committee of either House.

Hon. Mr. KING: Notice of it was given on the first day of the session.

Hon. Mrs. FALLIS: My point is that it was not introduced in time to send it to the social security committees, as was the health measure brought before Parliament a couple of sessions ago. Members on the Government side in both Houses have spoken of this Bill as being just one part of a great programme of social security; yet the health bill, which also forms part of that programme, was before the House of Commons committee on social security for a long time and is now being sent to the Dominion-Provincial Conference for further consideration before it becomes law. I submit that the same course should have been pursued with regard to this Bill.

Honourable members may not agree with me, but I submit that it is high-handed dictatorship to say, in effect, to the province of Ontario: "You must pay out $100,000,000 or more a year, much of which will be spent outside of your province. You must co-operate with us in the administration of this bonus, but you cannot have any say in the drafting of the Bill." We have all realized that during war-time it is necessary for a government to take unto itself certain dictatorial powers in relation to war measures; but to carry that attitude into peace legislation is something that will be very bitterly resented by thousands in the province in which I live—I cannot speak for any other province—who maintain, as I do, that the provinces had every right to be consulted. If it was necessary for the health measure to go to the Dominion-Provincial Conference, then, I submit, it was just as necessary for this Bill to go there before coming to Parliament. But when this line of reasoning is submitted, we are met with the argument that there is no time to do these things; that, even though the Bill will not come into force until July, 1945, it must be rushed through now, because the intervening time is required for setting up the necessary machinery.

Well, frankly, I must admit that I have not been very much impressed with this argument.

The present Government has been in power for nine years, some of them years of very bad depression when the children were really suffering and badly needed assistance. But nothing was done. Now we are in a period of high wages; work for everybody is the order of the day. This being so, I cannot see why, after waiting nine years, it should suddenly become imperative to rush this Bill through without submission to the Dominion-Provincial Conference. If an emergency really exists, then I submit that the Government should have introduced the Bill early in the session so that it could have been considered by the proper committees.

It seems to me that the Senate has a duty to perform. As honourable members of this House have repeatedly stated, the Senate is an independent body, it is in no way a rubber stamp for the House of Commons, and one of its chief duties is to prevent legislation being rushed through without full consideration by the proper authorities. I submit that we now have an opportunity to show the people of Canada whether or not we have meant what we said, and still mean it. We owe a duty to the people of this country, who will be heavily taxed to meet the financial requirements of this legislation, and that duty is to satisfy ourselves that the Bill before us will give the maximum benefit to the children of Canada, a benefit proportionate to the amount of money which will be spent.

In order to satisfy ourselves, only one method is possible—consultation between the Dominion and the provincial authorities. This is my own personal opinion upon it. I submit that the Senate should not give this Bill second reading, but should ask that it be referred to the coming Dominion-Provincial Conference for consideration along with the national health bill. If that were done there would be no delay; the Bill could still be brought before Parliament at the beginning of next session, and could become effective by the 1st of July, 1945. I believe that if we took such action, all Canadians—certainly the majority in many provinces—would feel satisfied that an honest endeavour was being made to spend the money of the taxpayers to the very best possible advantage. Thank you.

Some Hon. SENATORS: Hear, hear.

(Translation):

Hon. Sir THOMAS CHAPAIS: Honourable senators, as I intend to use my mother tongue in speaking of this bill, I pledge myself to hold the floor for the shortest possible time, taking into account the fact that the thermometer has risen to an unusual height to-day. The bill now before us is certainly one of the most important that we have had to consider since the beginning of this session. I shall even say that it is one of the most important that have been introduced in the Canadian Parliament in many years. It is a most significant bill and I may add a very intricate one. I do not know whether the atmosphere that surrounds us in the times through which we are now passing imparts to my honourable colleagues feelings and impressions similar to those which I now experience. As far as I am concerned, I am under the impression that humanity has never lived in conditions so complex and difficult as those that obtain to-day. The matters that come up are not simplet; they cannot easily be grasped at first sight. Nearly all of them are extremely and frightfully intricate. Where is the truth in all those pieces of legislation that are submitted to the different parliaments of Canada? Where is the truth in legislative measures destined to bring happiness and sometimes misfortune to the people? A man whom history holds in disrepute once said these words which have come down to us: *Quid est veritas?* What is truth? We might be tempted to say to-day: *Ubi est veritas?* Where is truth in all those conflicting doctrines, in the plans that are submitted to us by people who have more or less authority to do so? Our forbears were happier than we are; they were living in a less complicated environment, and their laws were almost all simple. It was merely a question of saying yes or no. Let us remember the men who preceded us, the men who drafted the laws by which we are still governed: secularization of church reserves, abolition of seigniorial tenure, representation based on population, and many others. As I said, our forbears were happier than we are; they could say yes or no. To-day, I wonder whether I must say yes or no.

I should be inclined to say yes as regards the principle of the bill that is now before us. I could say that the Bill is good. If I had to vote on it, I would feel inclined to support its second reading, because that is the time when we pass judgment on the principle of a measure. However, in so far as the details are concerned, I find—and I am not the only one to hold such a view—that the bill has a very great number of weak points. I said that I would speak as briefly as possible, and I shall try to keep my word.

If I go over this bill, even in a quite cursory way, it is because I wish to show that it has, to my mind, four main defects.

In the first place, I consider as excessive the assumption of an exclusive control on the part of the government in the establishment of family allowances. How will this bill work? What is the body that will operate that fairly complicated machine? It will be purely and simply the governments of Canada, whatever they may be.

Here is section 11 of the bill, which provides for regulations governing the administration of the act:

The Governor in Council may make regulations to give effect to and carry out the objects of this Act, and, without restricting the generality of the foregoing, may by regulations—

provide generally or in respect of any province or any class of cases that payment shall be made to the parent prescribed in the regulations;

provide that where, by reason of age, infirmity, ill health, insanity, improvidence or other reasonable cause of disqualification of the person to whom the allowance is payable or in other special circumstances, payment may be made to another suitable person or agency;

provide the procedure of the tribunal established pursuant to section six of this Act;

provide that in the case of Indians and Eskimaux payment of the allowance shall be made to a person authorized by the Governor in Council to receive and apply the same;

prescribe the manner and form of registration and the information and evidence which may be required in connection therewith;

impose penalties for violation of any such regulation by way of fine not exceeding two hundred dollars or imprisonment for a term not exceeding three months enforceable upon summary conviction.

That is a vast power indeed. Absolute power is conferred on the government as regards the administration of the act.

Section 6 provides as follows:

If any person is dissatisfied with a decision as to his right to be paid an allowance or as to the amount of an allowance payable to him or as to any other matter arising under this Act, he may appeal against such decision to a tribunal to be established and conducted in accordance with regulations, and the decision of the tribunal shall not be subject to appeal or review by any court of law.

Here is a court set up by the government, a court without appeal. Therefore, you have state control, a government-created tribunal from whose decision no one may appeal. I am firmly convinced that it would be impossible to create a more absolute power.

I therefore state briefly that this bill evidences an excessive control over the administration of a measure which has a great social and economic importance.

Besides, I claim that this bill infringes on what I may call family autonomy. One often hears this word nowadays: there is federal autonomy and provincial autonomy.

Here, it is a matter of autonomy in the family, of family autonomy. I now come to section 3 of the bill:

From and after the first day of July, one thousand nine hundred and forty-five, subject as provided in this Act and in regulation . . .

Here again we have this matter of regulations which the Governor in Council may enact, etc. I wonder whether my colleagues have the same feelings as I have in reading or re-reading section 5:

The allowance shall be applied by the person receiving the same exclusively towards the maintenance, care, training, education and advancement of the child, and, if the Minister or such officer as is authorized by regulations in that behalf is satisfied that the allowance is not being so applied, payment thereof shall be discontinued or made to some other person or agency.

At first sight, one might be inclined to say: "After all, the government passes an Act granting family allowances, and it is only fair that they endeavour to know how the money is spent." Granted. However, there is, in all this, a certain amount of haziness which paves the way for regrettable intrusions.

After all, the family is the family; the father is the king of the family; the father is the head; he is the one to decide what education should be given his children. There is such a thing as family autonomy. This very point that I am trying to make, I notice, has been thoroughly covered by a very interesting and reliable Montreal periodical, in connection with section 5 of the bill:

The extremely abusive government interference in the management of the family would go so far as to control the expenditure of the allowances; are not these payments designed to help the family as a constituted and autonomous unit of society? Is the father to become a mere middle-man through whom the father-state shows its liberality towards the children? Is the education of the family to become the business of functionaries?

State control is indeed one of the pitfalls of the Bill. All this may lead to serious mistakes and even to misuse of authority and absolute intolerable interference.

I wish to be brief and, therefore, I come to a further criticism in connection with this bill. I refer to the distribution of allowances, to the section concerning the decreasing payments. This is surely one of the sections of this whole bill against which the greatest aversion and opposition is apparent in certain quarters.

You know the meaning of section 3. After enumerating the rates for a child under six years of age, five dollars, and so forth, there is the following restriction:

Provided that the allowance payable shall, in respect of a fifth child maintained by the parent, be reduced by one dollar and in respect

of a sixth child and a seventh child respectively so maintained, by two dollars and in respect of an eighth child and each additional child respectively so maintained, by three dollars.

This is called decreasing allowances, a system which is condemned by competent sociologists. Here is another extract of the periodical from which I quoted a while ago:

Hon. Mr. LACASSE: What publication are you referring to?

Hon. Sir THOMAS CHAPAIS: Relations. A periodical entitled Relations, published in Montreal. It is, I believe, the official mouthpiece of l'Ecole Sociale Populaire.

This measure might have seemed reasonable in connection with an elderly population, in an overpopulated country, with exhausted resources, but in Canada, a land of infinite opportunities, which some would have overrun by immigrants, where a young population is on the increase, it becomes an anomaly. It constitutes a departure from the wise traditions of all countries where family allowances are comprehensive; they sometimes have increasing rates, or uniform rates, but nowhere are decreasing rates to be found. The measure is in direct opposition to its objects which is to assist large families unable to provide for their own needs; the recommendation of the Congress of the International Labour Organization, held in Philadelphia recently, summarizes the universal practice and tendencies when it recommends payment from the third child on.

Well, those views are open to discussion, but to my mind they are far-reaching and significant in so far as the consideration of this bill is concerned.

Then there is a fourth objection to the bill, which I shall call invasion of provincial rights, and in this connection I must add that I have heard with great pleasure the very forceful statements of the honourable senator who is acting as leader of this side of the House (Hon. Mr. Haig) in regard to the very subject to which I am referring at the present time. I am convinced that a project such as the family allowance bill should be carried out by the provinces, I regret having to make so many quotations, but I noticed that in another place, quite recently, the attention of another group of men was called to that point in these words:

Even this measure, to which I have not objected thus far, centralizes a great deal of power in Ottawa. I should have much more readily favoured granting the money to the provinces, as direct grants, to which they would be given a constitutional guarantee, as of right, with the suggestion that the money should be used by the provinces for the payment of family allowances. As I said the other day, the people in the provinces know how to govern those provinces. There are no men in the Dominion of Canada who know more about governing Prince Edward Island than do the people in Prince Edward Island.

He mentioned Prince Edward Island, but it could be applied to the other provinces.

They know their local conditions; they know their needs, because they have lived in that province. They live in the province; they have built the province, and their children are going to live in it. Why should the power at Ottawa undertake to tell the people of Prince Edward Island how to manage the affairs of that province? The same applies to every province. Because of the enormous distances involved in the dominion, and the wide variety of geography and climatic conditions, it is all the more important that we guarantee to the local governments in the country a greater and greater measure of unchallengeable autonomy.

I endorse this statement and I share those views. Indeed, has not a precedent been in existence several years? There are precedents which do not work but there are some which do. Well, if we glance through the Statutes which have been enacted in the past in Canada, we find the title of an Act which, under the present conditions, would bring about the same results; it is the Old Age Pensions Act. You are well aware of the set-up. In connection with the old age pensions, the government pays a certain sum to the provinces and the latter distribute this money. These pensions were of tremendous help to a large number of our citizens.

I wish to quote an excerpt from a brief prepared by the Committee of Social Welfare of Montreal, an important organization which my hon. friend (Hon. Mr. Gouin) must know:

It would be sufficient, in order to protect the higher interests already mentioned to redraft bill 161 on a similar basis to that of the Old Age Pensions Act (chapter 156, R.S.C., 1927, as amended).

Those are, honourable gentlemen, my views in regard to this bill. To sum up, the object of the bill seems to be a worthy one. Sociologists and economists have endorsed it. Several countries have already a similar scheme in operation and it is certainly a measure that will assist Canadian families whose means are insufficient to enable them to ensure substantial advantage to their members; it is a measure which will be of great benefit to the whole country.

The purpose of the bill is excellent, but I must admit, in all truthfulness, that it meets with serious objections which I have just briefly mentioned. Under these conditions, I would certainly be willing to support the second reading of the bill, but I could not go beyond that.

Now, I would like to add a word. Why must we in Canada face this problem, this sort of ill-feeling between such and such a province, this nationality and that, over the bill now before the Senate? The province of Quebec to which I belong appears to be the butt of attacks varying widely in fairness. People seem irritated beforehand by the scope of the bill. If it is passed, as it will be, if it is put into effect, again as it will be, people

imagine that one Canadian province might derive more benefit from it than others and that the unfortunate province of Quebec would get the lion's share! Why? Because in that miserable province of Quebec, there are too many children. Too many children in the province of Quebec! But is it a crime, honourable gentlemen, to have a high birthrate? Is it shocking to develop it in one province? Does it constitute high treason against the state? Tell me, shall we castigate the province of Quebec because in its cottages there grows a strong young people, sometimes not quite as sturdy as it might be because of a scarcity of means? Is that not rather to the credit of the province of Quebec? If Ontario's birthrate exceeded Quebec's, I would say: "All the better, heaven be praised!" If it overtook that of Quebec by one, two or three hundred thousand, I should cheer Ontario on. Children are a country's greatness and happiness! And to think that some people would ban one province because it has too many children. To-morrow, some other bill may be introduced in another field, and when it is put into effect, it may benefit one province in some respect, let us say New Brunswick or Ontario, more than the others. That is always happening. This legislation or that is certainly not enacted with such a precise purpose in mind, but it constantly occurs that in practice some particular act is more profitable to one province than to another. What does that matter? It is all to the greater good of the country! We are all brethren in Canada and we live in sister provinces. It would be rather strange for one sister to resent the good fortune of another one of her sisters.

(Text):

Hon. CYRILLE VAILLANCOURT: Honourable senators, I have studied social problems in this country and in Europe, and, with your permission, I propose to make a few observations on this Bill. I was very much impressed by what the honourable acting leader on the other side (Hon. Mr. Haig) said in regard to Sweden and Norway. I am familiar with the situation in those countries, but I fear I shall not have sufficient time to discuss it to-day.

Certain persons appear to be afraid of the large families which are the pride of Quebec, and they say the principal purpose of this Bill is to favour that province. Even if this were true, would it be wrong in any way? Are we not all citizens of the same country? Are we not all Canadians? Does not the British North America Act declare that the province of Quebec shall never have more than sixty-five members of the House of Commons nor more than twenty-four members of the Senate?

As French-Canadians, did we say that the other provinces wanted to keep us enslaved? We had faith in those who worked to establish Confederation, and we are parties to the contract. Why do some persons continue to make insinuations which can only undermine that contract? To-day, unfortunately, in different parts of the country certain people are holding aloft the torch of intolerance—a torch which to-morrow may so inflame passions across the land as to destroy national unity and dissolve Confederation. This would mean the end of our Canada. Let such persons take heed! No one plays with fire without peril!

As I have said, some persons are afraid of the large families we have in Quebec; but we are proud of them. I am the fifteenth child in my family. I have eleven nephews in the Army, Navy and Air Force. They are fighting in Normandy to protect the liberty of Canada and the liberty of England, and to give back her freedom to our former mother country. In sad contrast, I regret to say there are persons in this country working in the opposite direction: instead of striving to maintain full liberty for everyone, they seek to deny it. I maintain that, contrary to what some would like the public to believe, it is not true to say that this Bill is intended to favour my province at the expense of the other provinces. And it is not true that Quebec wants to isolate itself. As a matter of fact Quebec buys at least one-half of the goods she consumes or uses from the other provinces. This of itself is a substantial contribution to their prosperity.

I would appeal to all men of good will, to real Canadians, to muster all their energies so that we in Canada may have the fullest measure of peace and harmony. All my life I have preached co-operation. But co-operation is possible only when two parties are willing to co-operate. Co-operation means union, mutual assistance, charity. Let us all co-operate, so that Canada, our Canada, shall grow happy and prosperous.

Some Hon. SENATORS: Hear, hear.

Hon. J. J. DUFFUS: Honourable senators, I have been twenty-five years in public life, and it has always been my practice to champion the cause of the poor and the oppressed. During that period I have whole-heartedly supported all types of social legislation, for I am firmly convinced that such legislation is wholly in the national interest.

For many years I have assisted persons who were justly entitled to pensions of various kinds—returned soldiers, burnt-out veterans, soldiers' widows, the blind, and others. In

fact, in my first speech in another place I pleaded with the Government to establish pensions for the blind, and urged that they be as generous as finances would permit. I am proud to say that in this effort, I, with others, was successful. Recognizing the economic handicap of parents with large families, I have often pondered over what could be done to remove that embarrassing disadvantage, and when I listened to the Speech from the Throne at the opening of this session, I was delighted beyond measure to hear that at last this long-neglected problem was to receive consideration.

As to the Bill before us I have this to say: I feel that if during the years I have spent in Parliament I have done nothing but support this measure and cast my vote for it, by that alone I have justified my presence here. I am repaid for any sacrifice I have made.

It has been said, and quite correctly, that the youth of this country is our most precious asset. Indeed, if there were some means by which we could adequately assess such values, I am sure it would indicate that nothing else was nearly as precious and valuable. If, as a result of the passage of this measure, our children are healthier, happier, better educated, better clothed and better housed, any reasonable expenditure we make to meet our obligation in this respect will be justified.

It cannot be denied, I think, that the first charge on the finances of a nation is the health and education of its people. Many other nations have loyally met the challenge in this regard. Is there any justifiable reason why we should be guilty of depriving our children of their birthright, especially when we pride ourselves on being one of the richest nations in the world? I have no intention of enumerating the many assets which this country possesses. Honourable members are quite as familiar with them as I am. I am simply maintaining that the provisions embodied in this Bill will assist greatly in putting us on a par with other nations. Honourable members will agree that two of the things which Canada has negelected most are education and health. That the passing of this Bill will assist education immeasurably no one can deny.

Ill health causes suffering, pain, deprivation and unhappiness. This Bill will do much to overcome these evils by providing the mothers with proper medical attention, delicacies and the other supplies so essential to their welfare both before and after childbirth. Indeed, I think I am wholly correct when I say that these grants will reduce the deaths from childbirth to a minimum, and will hasten the recovery of the mothers. Subsequently the children, by reason of having healthy bodies and keener minds, will make greater progress in acquiring education. Hence, the two problems of education and health, will have been solved in a general way to the satisfaction of all concerned, and this will be of inestimable advantage not only to the families directly concerned, but to the country in general.

Now, I have a question to put to honourable members. Let us suppose that I am a mechanic with a large family and the man next to me in the factory has no family. We are both receiving the same rate of pay. What chance in life have I as compared with the man who has no family? Will anyone suggest that it would be possible for me to convince my employer that because I have done my duty as a citizen I am entitled to more pay? Honourable senators know that it would be absolutely impossible for my employer to increase my pay without creating disruption and dissension within his industry.

God's command, as contained in scripture, is to be fruitful and multiply, and one of the duties of all couples joined in matrimony is the propagation of the human race. Unquestionably God was sincere. If proof of this were necessary it is to be found in the fact that he elevated matrimony to a place among the seven sacraments of the Church, and thereby set it amongst the holiest of holy things.

Speaking of population, is it not better that it should be increased as far as possible in the natural way, rather than by the expenditure of large sums of money to bring in from other countries people of objectionable character, who by causing dissatisfaction make it necessary for us to deport them?

Honourable senators, I can think of nothing more heartbreaking than to see a delicate mother trying to take care of a sickly child of tender years when her meagre means render her helpless in the matter of providing necessary medical care and nutritious food. When I think of what will be accomplished by this Bill, in ensuring to every Canadian mother and child medical care, sufficient and proper food, clothing, proper housing conditions and education, I find it impossible to estimate the wealth of happiness that will accrue. Permit me to cite the experience of a young couple who lived on a farm in the country. They had a family of 21 children, 18 of whom are living. They lost the farm because it was economically impossible for them to survive. I challenge any honourable member to say that they should not have received assistance. Honourable members may laugh; but this young couple did their duty in accordance

with the will of God. Furthermore, about half a dozen of the boys in the family left their home, their parents and their little brothers and sisters, and with a vision of democracy before them went forth with dauntless courage, ready to lay down their lives for the liberty of mankind. I conclude with these words: Greater love hath no man than this, that he lay down his life for his friends.

Hon. GUSTAVE LACASSE: Honourable senators, it is not my intention at this late hour of the day to tire you with a long speech. I understand that this Bill will be sent to Committee for further consideration, and with that understanding—I hope it is correct—I shall say just a few words.

Hon. Mr. HAIG: Is the Bill going to Committee?

Hon. Mr. KING: Yes.

Hon. Mr. LACASSE: I have followed with close attention the speeches made this afternoon. All of them were well conceived and well delivered. It occurs to me that it might be interesting to give a short recapitulation. The Acting Leader on the other side of the House based his case mainly on the ground that legislation such as this is more or less a challenge to provincial rights and prerogatives. The honourable the lady member from Peterborough (Hon. Mrs. Fallis) based her case mainly on the contention that there was no reason for haste in passing such legislation at this particular time.

My honourable friend from Grandville (Hon. Sir Thomas Chapais) built up his case on four points. Since he spoke in French I shall run over them briefly for the benefit of honourable members who are not familiar with that language. I am willing to accommodate the House in that respect. His first point was that this legislation gives too much power to the federal authorities.

Hon. Mr. LEGER: First, he approved the principle of the Bill.

Hon. Mr. LACASSE: Yes. He expressed his approval of the measure as social legislation that in general is desirable, adding that family allowances had been advocated by foremost sociologists throughout the world.

He based his objections to the measure on four grounds. First, he said that it gives too much power to the federal Government. His second contention was that it invades what he aptly called "family autonomy." In other words, the Bill more or less challenges the authority of the father as the head of the family, an authority which has been recognized for centuries, and which should not be interfered with, for the family is the very cornerstone of society.

The honourable gentleman's third objection applied particularly to the proviso at the end of section 3, that the allowances shall be reduced in respect of the fifth and every subsequent child in a family. So far I have not committed myself as to how I stand with regard to the points raised by my honourable friend, but I say without hesitation that I join with him in objecting to this proviso. That is one of the main reasons why I suggested that the Bill be referred to a committee for further examination. I do not know to what committee it should go.

Hon. Mr. HAIG: Banking and Commerce.

Hon. Mr. LACASSE: No one is objecting to the principle of the Bill, but surely, if we have any powers of revision at all, we are free to modify certain clauses.

The fourth and last objection voiced by my honourable friend from Grandville was much to the same effect as that expressed by the honourable acting leader on his side of the House (Hon. Mr. Haig): that the Bill is a dangerous invasion of provincial prerogatives.

For the accommodation of my English-speaking friends in this House I have made this brief summary of the excellent speech delivered by the honourable gentleman from Grandville.

Hon. Mr. HAIG: Thank you.

Hon. Mr. LACASSE: I wish I could translate also his magnificent peroration, wherein he argued that no Canadian family should be despised or discriminated against for the terrible crime of being large in number. I need hardly say that I share his views in this respect too. If I might be allowed a personal remark, I would suggest that if every head of a family in Ontario followed my example, this province would soon challenge Quebec's birth rate.

The remarks of the honourable gentleman from Levis (Hon. Mr. Vaillancourt) and of the honourable gentleman from Peterborough West (Hon. Mr. Duffus) go to show that there is general agreement as to the desirability and opportuneness of such legislation. But the differences of opinion as to some sections in the Bill are such as to justify thorough study of them in committee.

We must not lose sight of the fact that this measure is the first move in a new direction. The legislation is in the experimental stage, and will of course be improved as time goes on. Experience will show the need for

modifying various clauses to meet changing conditions. I think we should start right away to examine the Bill in the light of the objections raised this afternoon, to study it conscientiously and dispassionately, to weigh the pros and cons, to try to differentiate the good features from the bad, and make it as acceptable as possible before reporting it back to the House.

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.

COMMITTEE ON INTERNAL ECONOMY AND CONTINGENT ACCOUNTS

CONSIDERATION OF REPORT POSTPONED

On the order:

Consideration of the fifth report of the Standing Committee on Internal Economy and Contingent Accounts.

Hon. Mr. KING: Stand.

Hon. Mr. MURDOCK: Honourable senators, I have to be in Toronto on Monday next to attend the funeral of a very dear relative. Could this Order stand over until Tuesday?

Hon. Mr. KING: I believe so.

Hon. Mr. MURDOCK: Tuesday next?

Hon. Mr. WHITE: Yes.

The Senate adjourned until Monday, August 7, at 3 p.m.

THE SENATE

Monday, August 7, 1944.

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

Prayers and routine proceedings.

CANADIAN BROADCASTING BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 179, an Act to amend the Canadian Broadcasting Act, 1936.

He said: Honourable senators, the explanation of this Bill is very brief. Heretofore the Chairman of the Board of the Canadian Broadcasting Corporation has been paid an honorarium of $1,500 per annum. A committee of the other House recommended the appointment of a permanent chairman, to be selected by the Governor in Council, and that he be paid an annual salary and be required to devote his whole time to the performance of his duties under the Act. I believe that those who have studied the organization of C.B.C. are in substantial agreement that the chairman should devote himself exclusively to his official duties.

Hon. JOHN T. HAIG: Honourable senators, I am in entire accord with the purpose of this Bill. I believe it is advisable that the chairman should devote his whole time to the duties of his office.

I have always questioned the wisdom of placing private broadcasting stations under the control of the C.B.C. I think they should be an independent organization.

Hon. Mr. KING: You mean an organization separate from the C.B.C.?

Hon. Mr. HAIG: Yes, a separate organization. The Good Book tells us that you cannot serve two masters, and I think that maxim applies here. Neither an individual nor an organization can deal with opposing interests without favouring one to the prejudice of the other. I hold no brief for the newspapers or other advertising mediums, but I believe the advertising policy of the C.B.C. has gone far beyond what was contemplated at its inception. To-day C.B.C.'s income from advertising is three times as much as it was when the decision was made to require owners of radio sets to pay an annual licence fee. With its greatly increased revenue from advertising, I should not think the corporation would need the income it derives from licence fees.

Hon. Mr. KING: The system is growing all the time, and this growth entails larger expenditures.

Hon. Mr. HAIG: I know; but when the C.B.C. was organized the income from advertising was estimated at $500,000. Now it is close to $1,500,000.

Hon. Mr. KING: I think it is more.

Hon. Mr. HAIG: Probably it is. I am raising this question now because ultimately it will have to be settled. If the Corporation is to remain in control of private broadcasting stations, it will do its utmost to ensure the success of its own stations, and in the process the private stations will be driven out of business. While of course this question is not pertinent to the Bill, it is one of policy which the full-time chairman will have ample opportunity to deal with; and undoubtedly he will have to iron it out.

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 the third time?

Hon. Mr. KING: Now, if there is no obection.

Hon. Mr. PATTERSON: Honourable senators, I should like to see this Bill referred to Committee. I believe it would be of advantage to all of us to have a chance to question those in charge of the C.B.C., and to bring up some of the points raised here by the honourable senator opposite (Hon. Mr. Haig).

Hon. Mr. KING: I have no objection to the Bill going to Committee, and would move that it be referred to the Standing Committee on Banking and Commerce.

The motion was agreed to.

MONTREAL TRAMWAYS STRIKE

QUESTION OF URGENT PUBLIC IMPORTANCE

On the Orders of the Day:

Hon. C. C. BALLANTYNE: Honourable senators, I take the opportunity of rising on the Orders of the Day to speak briefly on a matter of great national importance and urgency. I refer to the tramways strike in the city of Montreal, now in its fifth day, whereby all the tram-cars and buses have been brought to a standstill.

The issue, as honourable senators know, is on the question of union membership. I understand that the name of the union involved is the Canadian Brotherhood of Railway Employees and Other Transport Workers, otherwise known as the C.B.R.E. The members of this union insist that the company shall employ only persons who belong to their union, and that new employees, unless they join the union within thirty days, shall be discharged by the company.

It seems almost incredible that Montreal should now be suffering its third tramway strike within seventeen months. When the strike was brought on last winter Montreal was experiencing about the most severe weather it had ever known, and the people suffered intensely from the cold while endeavouring to get to their work. Now weather conditions are reversed, and we have been enduring extreme heat. Last week it was pitiful to see men and women walking along the streets, carrying their coats, in a temperature of 90 or 91 degrees, combined with excessive humidity.

The honourable the Minister of Labour made a proposal to refer both the Quebec labour law and the federal labour code to the Supreme Court, and the tramways company agreed to accept the findings of that court. The union objected, however, and the strike is continuing.

Many employees of the tramways company are members of the Catholic Syndicate or of the A.F. of L. But the Canadian Brotherhood of Railway Employees and Other Transport Workers say to these employees: "If you want to hold your job here you must belong to our union and none other."

Labour disputes are always difficult to handle and to solve, and I realize the difficulties that confront the Minister and the Government. But I want to impress upon the Minister—and I hope he will carry my words to his colleagues—that the spirit in Montreal is rising against this union, because the people have no transportation of any kind.

The most serious consequence of the strike is that the absenteeism which necessarily results from lack of transportation is causing dangerous delay in the output of our war industries. While on various fields of battle our brave relatives are fighting and shedding their blood for justice and freedom for all, these four thousand tramways men sit comfortably in their homes and practically say: "This is no concern of ours."—at least, that inference can be drawn from their conduct. In the meantime the war plants are left to do the best they can to get their employees to and from work with trucks and other conveyances; but by far most of the people are forced to walk.

I respectfully submit two suggestions to my good friend the honourable the leader of this House. I think the time has arrived when the Government should call the strike off, order these workers back to their jobs, and refer the matter at issue to the Supreme Court of Canada for decision. As I said in my opening remarks, the offer of a reference to the Supreme Court has been refused by the union. If they refuse to obey a Government order to go back to work and get the tramways and buses in operation again, it seems to me the only course for the Government to follow is to put the Army in charge. I know it would be difficult to operate the tramcars in that way, but operation of the buses would be a simple matter. I realize that my second suggestion is a very drastic one, but I notice that in Philadelphia, where there was a strike, the military were put in charge and the strike has been called off. I am under the impression that if the Government orders the employees back to work, pending a decision by the Supreme Court, they will obey. If they do not, law and order must be preserved. There are civil rights that have to be protected, and, what is more important, no aggregation of men or no union can be allowed to defy the authority of His Majesty's Government in Canada.

As I intimated a moment ago, the citizens of Montreal are in a very bad temper just now. Before resuming my seat I would urge the Minister to adopt one or other of the suggestions that I have just put forward in all good faith, for unless one of these courses is followed I cannot see any possibility of the strike being settled. The Government, I am sure, is just as anxious as the citizens of Montreal are that the tramway service be resumed at the earliest possible date.

Hon. J. H. KING: Honourable senators, I think everyone understands the seriousness of the situation caused by the strike of tramway workers in the great city of Montreal. As my good friend opposite has indicated, this is the third strike on Montreal tramways within the last seventeen months. In ordinary times matters of this character come within provincial jurisdiction, but in time of war the federal Government assumes larger responsibilities with regard to labour. A labour code was drawn up under wartime regulations and has been, I believe, generally accepted by the provinces as well as by labour and management throughout Canada.

As my honourable friend stated, the Canadian Brotherhood of Railway Employees is the bargaining agent for the Montreal Tramway employees. If I remember correctly, it has been so declared by the Labour Board. As he also stated, among the employees are members of other labour unions. The bargaining union has taken the position that every person employed by the company must be a member of that union, or become one within thirty days after starting to work for the company. That would make a closed shop, with one union controlling all employees on the Montreal tramways. There were other difficulties, but I understand these have been fairly well ironed out, and the only issue remaining is the one under discussion.

The company has been advised through its solicitor that the strike is illegal, and that acceptance of the proposal for a closed shop would be an illegal act.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. KING: The matter has been discussed with the Minister of Labour and officials of the Department. The Department has offered to make a reference to the Supreme Court of Canada as to the legality of the strike; it indicated that a decision could be secured within sixty days, and suggested that in the meantime the men should go back to work. The company is willing to accept that offer, but the men have said; "Accept our contention now, and later let it be decided by the Supreme Court whether we are right." That is the position to-day. There were conferences here yesterday between the management and employees in regard to that point.

Quebec also has a new labour law, but I understand that in the present instance it would be overridden by the war labour code. The Quebec labour law would make illegal a strike on a public utility such as the Montreal tramways. The Dominion regulations have not gone so far.

Honourable members know how serious the strike in Montreal is at this time; the city is a centre of very large war industries highly important to the fighting services in Europe, and disputes between management and labour should be adjusted by conference or by reference. There certainly should be no stoppage of work. That view, I am sure, would appeal to the majority of our Canadian people as sound and reasonable. It is hoped that the employees of the Montreal tramways will see the force of that view and appreciate their responsibilities, not only to their union, but to the people of Canada and the men who are fighting overseas for our welfare and safety.

I cannot go farther. I am glad that my honourable friend has drawn attention to the seriousness of the situation in Montreal. I will see that his remarks are conveyed to the Minister and to the Government.

Hon. Mr. BALLANTYNE: Would the honourable leader not admit that the Government has the authority to order all the employees back? The Government could do that under the War Measures Act, if in no other way.

Hon. Mr. KING: Wide powers are given by the War Measures Act, and though I would not speak definitely, I am satisfied that if the Government wished to take such action under that Act, it could do so.

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

THE SENATE

Tuesday, August 8, 1944.

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

Prayers and routine proceedings.

CANADIAN BROADCASTING BILL

REPORT OF COMMITTEE

Hon. W. H. McGUIRE, for the Chairman of the Committee on Banking and Commerce,

presented the Committee's report on Bill 179, an Act to amend the Canadian Broadcasting Act, 1936.

He said: Honourable senators, the Committee has examined this Bill, and now begs to report the same without any amendment.

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.

EXPORT CREDITS INSURANCE BILL

REPORT OF COMMITTEE

Hon. W. H. McGUIRE, for the Chairman of the Committee on Banking and Commerce, presented and moved concurrence in the committee's report on Bill 178, an Act to incorporate the Export Credits Insurance Corporation, and to promote the revival of trade by the provision of Dominion Government guarantees to encourage exports from Canada, as amended.

The motion was agreed to.

THIRD READING

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

Hon. Mr. KING: With leave, I would move third reading now.

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

BANKING AND COMMERCE COMMITTEE

HOUR OF MEETING

On the motion to adjourn:

Hon. Mr. KING: Honourable senators, when the Banking and Commerce Committee adjourned this morning it was understood that it would re-convene to-morrow morning at 11 o'clock. As the train on which the Parliamentary Assistant to the Prime Minister is coming to Ottawa will not arrive until 11.45, I have asked the Chief Clerk of Committees to give notice that the Committee will meet at 12.15. This announcement is being made now in case the notice from the Clerk does not reach honourable members this afternoon.

CLOSING OF SESSION

Hon. Mr. BALLANTYNE: May I ask the honourable leader if he can give this Chamber any indication of what progress is being made in the other House and whether the session is likely to close on Saturday?

Hon. Mr. KING: This morning I consulted with those who are trying to bring about an adjournment this week. It is hoped that we shall adjourn on Saturday, or possibly on Friday evening. That is the best information I can convey to my honourable friend.

FAMILY ALLOWANCES BILL

Hon. Mr. HORNER: May I ask the honourable leader of the Government when the Family Allowances Bill will be reported from the Banking and Commerce Committee, to which it was referred?

Hon. Mr. KING: I hope it will be reported back to-morrow afternoon.

Hon. Mr. HORNER: Has it been before the committee yet?

Hon. Mr. KING: It will be before the committee to-morrow at a quarter past twelve.

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

THE SENATE

Wednesday, August 9, 1944.

The Senate met at 3 p.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 180, an Act to amend the Income War Tax Act.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. KING: Next sitting, please.

EXCESS PROFITS TAX BILL

FIRST READING

A message was received from the House of Commons with Bill 182, an Act to amend the Excess Profits Tax Act, 1940.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. KING: Next sitting.

BUSINESS OF THE SENATE

MORNING SITTING

Hon. J. H. KING: Honourable senators, I beg leave to give notice of motion, that when the Senate adjourns on Friday, the 11th of August, it do stand adjourned until Saturday, the 12th of August, at 11 a.m.

I may say it is the desire and hope of the Government that the business of Parliament may be concluded in time to permit of adjournment on Saturday of this week. I am merely giving notice of motion at this time.

Hon. C. C. BALLANTYNE: Adjournment of both Houses?

Hon. Mr. KING: It is hoped that both Houses may be able to adjourn on Saturday.

Hon. Mr. BALLANTYNE: Honourable senators, I wish to make it quite clear that we on this side of the Senate do not desire nor will we permit important legislation to be rushed through the Senate in the dying hours of this Parliament, and a weary Parliament at that. We insist that the measures coming before this House shall be given the consideration which their importance demands. If that is done, the Senate cannot possibly adjourn on Saturday. The following Bills have not yet reached this Chamber: the National Housing Bill, providing for an expenditure of $275,000,000; the soldiers' rehabilitation measure, the Bank Bill, which extends the banks' charters; the Industrial Development Bank Bill and the Bill providing for intermediate terms and short term credit to farmers.

All these Bills are of the greatest importance. I understand that neither the Bank Bill nor the Industrial Development Bank Bill has yet been reported from the Banking and Commerce Committee of the Commons. This House will need to devote a great deal of time and study to all the Bills I have mentioned, and in particular to the Industrial Development Bank Bill.

Ever since Confederation the Senate of Canada has been noted for its thorough and careful consideration of Bills. I wish to serve notice on my good friend the honourable leader of this House (Hon. Mr. King) that I and those who are associated with me intend to stay here and take the necessary time to consider fully the Bills I have named and any other measures that may come before us. I therefore see no possibility whatever of this House adjourning on Saturday.

Hon. Mr. KING: Honourable senators, we quite appreciate what my honourable friend has stated. What is happening now is not new. The Senate to-day is probably as well informed on the legislative programme as it has ever been. Our practice, adopted in recent years, of discussing Budget resolutions and other matters pertaining to war finance in the Standing Committee on Finance, prior to the receipt of the Bills from the House of Commons, has been of material advantage to this Chamber. These Budget resolutions have been before our Finance Committee for some time. When the Bills based on the resolutions reach this house honourable members will have ample opportunity to discuss them. The work of our committee has kept honourable senators fully informed of the character of the legislation, and this in turn will tend to expedite progress when the measures come before us for review.

The first Order of the Day in the other House is "Receiving reports of the Committee of Supply"—in other words, Estimates. As honourable members are aware, the Estimates always reach us in the last days of the session and as a rule we do not question them. The second and third Orders also relate to such financial matters as are usual at this stage of the session.

The fourth Order covers the committee stage of the Bill respecting Banks and Banking, commonly known as the Bank Bill. This Bill, of course, deals with the decennial revision of the Bank Act under which bank charters are renewed for another ten years. In some quarters it is complained that the revision should be more frequent. That, of course, is a matter of opinion. Probably Canada is the only country that requires its commercial banks to come before Parliament every ten years for the renewal of their charters. A committee of the other House devoted about forty-nine sittings to consideration of the Bill, and amended it in certain particulars. We shall have an opportunity of discussing it here and also in our Banking and Commerce Committee. The measure contains nothing very new or very startling, and I cannot conceive that this Chamber will reject it.

The next Order is the Industrial Development Bank Bill. When this Bill reaches us I intend to ask that it be referred to our Banking and Commerce Committee, where honourable senators will have full opportunity for discussion and where the public may appear and make representations for or against the measure.

Then the other House has under consideration a measure which I am sure will meet with the approval of this Chamber. It is described as an Act to encourage the provision of intermediate term and short term credit to farmers for the improvement and development of farms, and for the improvement of living conditions thereon. I believe that my explan-

ation of this Bill will satisfy honourable members on both sides, and that, the Bill may be proceeded with in no undue haste.

The next two Orders refer to the Income War Tax Bill and the Excess Profits Tax Bill—to which we have just given first reading. These important financial measures have already been considered by our Finance Committee, and I am confident that after full discussion on the motion for second reading they will be accepted by this House. If not, there will be ample time to refer them to the Finance Committee for further consideration.

The next Order covers the National Housing Bill, which my honourable friend opposite has mentioned. This important measure was foreshadowed in the Speech from the Throne. There is nothing new in legislation of this sort. In 1935, and again in 1938, Parliament enacted housing legislation. This Bill is for the purpose of enabling the Government to advance further moneys to encourage the building of houses in the post-war period, and I am sure it will receive the approval of honourable senators.

The Bill relating to the rehabilitation of returned men has been delayed. This measure provides for financial aid to returned men, and its implementation will make it necessary for the Government to raise considerable money by way of taxation. During the last two years there has been much legislation relating to the period following the war, and I am confident that once the Senate Committee has heard the explanation of what is intended by the Bill which is yet to come it will accept the measure, which can then be debated in this Chamber. I think that should meet the requirement of my honourable friend.

Hon. Mr. BALLANTYNE: No, no.

Hon. Mr. KING: I think so. I will undertake to see that there is an opportunity for consideration of these various measures. None of them are new. They have been before Parliament since January last. They were outlined in the Speech from the Throne and have been discussed in another place. We have not been asleep; we have given serious thought to these matters. Every honourable member of this House is familiar with what the Government did with respect to the rehabilitation of returned men after the last war, and has read of the set-up proposed by the Committee of the House of Commons. The measure to come before us will be an enlargement and a continuation of what was done previously. I have given notice of motion that this House sit on Saturday morning so that honourable members may not be taken unawares.

We must remember that the House of Commons is sitting three times a day. This is only Wednesday, so there will be two more sessions to-day, three to-morrow, three on Friday, and, if necessary, three on Saturday. Honourable members know what Parliament can do at the end of the session in dealing with matters mentioned in the Speech from the Throne. As I say, what is proposed in the Bills yet to come to us is not new, and once they have gone before our Committee I trust they will be in such shape as to be dealt with expeditiously.

While I am on my feet, I wish to express to every honourable member of this Chamber, particularly to my honourable friend the Leader opposite (Hon. Mr. Ballantyne) and to the acting Leader of the other side (Hon. Mr. Haig), my appreciation of their co-operation during the last three sessions of Parliament. It has been most gratifying. In view of this I feel sure that if we apply ourselves diligently to our work we can complete our programme by Saturday evening.

Hon. Mr. BALLANTYNE: May I be allowed to say but a word or two more? My honourable friend has mentioned the renewal of bank charters for another ten years. There will be no serious objection to such a proposal in this House, for I am sure the Canadian people appreciate the splendid record of the chartered banks, but there are a few amendments which will have to be considered.

The Industrial Development Bank Bill is a very controversial piece of legislature. My honourable friend may not agree with me, but I maintain that it is quite unnecessary that such a measure should be brought before the Parliament of Canada. However, as this is not the proper time to debate that Bill, I shall content myself by saying that under it $100,000,000 of the money of the taxpayers of this country is going to be handed out in the form of loans that no chartered bank would think of granting. This is of importance not only to Parliament but to taxpayers as well. The members in another place have spent weeks on this Bill. My honourable friend says that surely we have read all that has been said about it—

Hon. Mr. KING: No, no. I did not say that.

Hon. Mr. BALLANTYNE: I think I understand what my honourable friend means. I shall put it in another way. The honourable the Leader has said that this legislation was mentioned in the Speech from the Throne. That is quite true, but that was in January last, a very long time ago. Now, in the dying hours of the session these important Bills are

to come before us. My honourable friend says: "Well, you have gleaned a lot of information here and there; there will be a certain amount of debate in this House; but why, after having absorbed all the information already at your disposal and hearing what is yet to be said, should much time be spent on this legislation?"

Hon. Mr. KING: I did not say that.

Hon. Mr. BALLANTYNE: "Why not let it go through?"

I object to honourable members of this House, who are men of great experience and capacity, being asked to pass such measures without first having an opportunity to consider them properly. In another place they have been discussed for weeks. Before I resume my seat, I desire to say that I cannot see how by Saturday it will be possible for our Committee to give these measures—particularly the Industrial Development Bank Bill—the consideration they deserve. We want to consider these matters in committee and express our opinions in this House. We do not want to base our action upon what has been done in another place, what we have read in the press, or what may have been mentioned in the Speech from the Throne. We have in this House, individually and collectively, sufficient capacity to deal with these Bills on their merits.

Hon. Mr. KING: I think my honourable friend has misunderstood me. I tried to make it clear that we shall have ample opportunity to consider these measures in Committee and to express our views upon them in this House before we make our final decision, and I believe we should proceed as I have suggested. This is not a new subject.

Hon. Mr. BALLANTYNE: It is very new.

Hon. Mr. KING: I have given this notice so that every honourable member may be aware of the situation, and so that my honourable friend and those associated with him will have an opportunity to express their views not only in committee but in this Chamber.

SENATE ACCOUNTS

REPORT OF COMMITTEE

Hon. G. V. WHITE, Chairman of the Standing Committee on Internal Economy and Contingent Accounts, presented and moved concurrence in the fourth report of the Committee, as follows:

Your Committee have audited the accounts and vouchers of the Clerk of the Senate, for the fiscal year 1942-43, and have found them correct.

Your Committee have also examined the accounts of the Senate for the period January 1st to December 31st, 1943, and have found them correct.

All of which is respectively submitted.

The motion was agreed to.

PRESS REPORTERS OF THE SENATE

REPORT OF COMMITTEE

Hon. G. V. WHITE, Chairman of the Standing Committee on Internal Economy and Contingent Accounts, presented and moved concurrence in the fifth report of the Committee as follows:

The Committee recommends:

1. That the appointment of Mr. Thomas Green and Mr. Georges Langlois to the reporting staff of the Senate be continued during the recess of Parliament; and that Mr. Green be paid at the rate of $25 per week and Mr. Langlois at the rate of $10 per week.

All of which is respectively submitted.

Hon. JAMES MURDOCK: Honourable senators, for fear that this particular motion might appear to have been considered, and agreed to unanimously, I want to register my opposition to the proposal contained in the report as entirely undemocratic.

The Hon. the SPEAKER: On division?

Mr. MURDOCK: On division.

The motion was agreed to, on division.

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

THE SENATE

Thursday, August 10, 1944.

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

Prayers and routine proceedings.

BANK BILL

FIRST READING

A message was received from the House of Commons with Bill 91, an Act respecting banks and banking.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. J. H. KING: Honourable senators, with leave, I would move second reading now.

This Bill is for the purpose of effecting the usual decennial revision of the Bank Act. It looks quite formidable, but in reality only a few sections of the Act have been amended, and with these I shall deal very briefly.

As honourable senators are aware, our commercial banks have to come to Parliament every ten years for a renewal of their charters, and on these occasions the Government of the day, taking advantage of the experience gained during the decennial period, has introduced amendments which tend to liberalize the credit facilities which the chartered banks have under their control. I am sure that Canadians are proud of the record of our chartered banks, for it is one not surpassed, if indeed equalled, by the banking institutions of any other country. The supervision and control exercised by the Department of Finance has been of value not only to the banks but also to the people generally.

In 1934 legislation was passed to incorporate the Bank of Canada. The Government subscribed 51 per cent of the capital stock, the balance being offered to the public. By an amending statute in 1938 the Government took over all the capital stock. The Bank of Canada has been of great national value, especially during the war years, in controlling exchange and other financial matters related to our trade with foreign countries.

Honourable members will recall that at the last revision of the Bank Act the right of the chartered banks to issue notes was limited, and next year it will expire. The chartered banks will be given five years in which to redeem their bills, and if there are any outstanding after this term they will be redeemed by the Bank of Canada.

This Bill authorizes the chartered banks to issue 10 per cent of their capital stock for foreign exchange—that is, for operations in foreign countries, particularly in the West Indies and South America, where they have branches and their currency is well known. This is expected to facilitate Canadian business with those countries.

From time to time the chartered banks publish a list of unclaimed deposits so that depositors or their representatives may have an opportunity of proving their ownership. Of late the provincial governments have stepped in. For instance, the provincial government of Quebec has claimed that after twenty-four years it should receive these deposits, and the Manitoba government is making a claim for similar treatment after twelve years. Under this amendment deposits which have been unclaimed for ten years will be transferred to the Bank of Canada, which will then become responsible for them and will make payment to claimants who are able to establish their right to receive the money. These deposits will bear interest for the ten year period before they are transferred to the Bank of Canada, and for twenty years thereafter.

There is a provision to facilitate the preparation of statements and returns to be made to the Minister.

Another important feature of the Bill is that the maximum rate of interest which the banks have been permitted to charge, namely, seven per cent, is reduced to six per cent.

Under another section of the Bill loans may be made on certain articles—such as cars and washing-machines—that are useful to the individual. Heretofore the purchaser of such articles has made a down payment in cash and has given his note and other securities for the balance. The dealer now will have the right to go to the bank and get a loan on these securities, if the bank sees fit to grant it. This is a liberalization that should be of assistance in many transactions.

Under Section 88 there is an extension by which a bank will be allowed to advance to canners and others processing raw materials an amount proportionate to their future operations.

Sections 88 and 89 contain some very interesting provisions with respect to the granting of credit to farmers.

A further amendment eliminates many of the difficulties of those engaged in day-to-day trading in natural products. In the past such transactions have necessitated numerous agreements and other documents as between the banker and borrower. The procedure now will be simplified. The operator may represent that his operations over a given period of time will amount to a certain sum and that he will require so much capital, and under the simplified procedure provided for in the Bill, the day-to-day or week-to-week forms and statements will be eliminated.

To date bank loans to farmers have as a rule been short term loans on their production of wheat, barley, potatoes, or whatever they may be growing. In the spring a farmer might secure a loan to buy fertilizer on the undertaking that he would pay off the loan when he harvested his crop. The Act is now liberalized to permit the granting of loans to farmers for improvements to their homes, dairying facilities, electrical equipment or other necessities, where the banks are satisfied that such improvements will be profitable to the farmers and that the loans can be repaid. The maximum rate of interest on loans of this kind is 5 per cent.

There is a provision along similar lines with respect to fishermen. On the Atlantic coast these men work largely as individuals, and they have found difficulty in getting loans from lending institutions. From time to time fishermen have formed their own co-operative societies and raised some capital in this way. Under the amended section 88 a fisherman will

be able to borrow on the security of his equipment or his catch, if the banker feels that the loan can be repaid.

I have referred briefly to the more important amendments to this large and comprehensive Act. It is not necessary for me to give a further explanation at this time, since I intend to move that the Bill be referred to the Committee on Banking and Commerce, where honourable members will have an opportunity of discussing the various amendments and questioning officers of the Department of Finance as to what effect these amendments will have upon the financial life of the country.

Hon. C. C. BALLANTYNE: Honourable senators, I find myself completely in accord with the honourable leader's view that it was right and proper for Parliament to renew the banks' charters for another ten years. The Canadian people can justly take pride in their banking system, which has been so successful over a long term of years. One of the leading banks was started in 1817, has been operating efficiently ever since, and is to-day in a completely solvent position. Our banking system may not be perfect, but I for one believe that the criticism that has been made of it from time to time by certain people who claim to have some knowledge of banking and finance—whether they have or not, I do not know—is unwarranted, and that our banks have performed a most useful service, not only to their shareholders but to the country at large, whose development it has assisted in so many ways.

We all recall that during the great depression, when banks in the country to the south were collapsing like a pack of cards, our banks stood solid like the Rock of Gibraltar. Furthermore, foreigners sent in money—millions upon millions of dollars—to the Canadian banks for safe custody until the depression had passed. Canada's banking system is held in high esteem not only by her own citizens, but also by the people of other countries. It is a real pleasure for me to agree with my honourable friend that there should be a renewal of the banks' charters.

I am not familiar with the amendments that my honourable friend mentioned; in fact, this is the first that I have heard of them. From what the honourable gentleman said, I should judge that at least two of them are very sensible—those facilitating the granting of credit to farmers and to fishermen.

There is an erroneous impression in the minds of some people that banks do not take any risks. If I may be forgiven for making a personal allusion, I would say that for ten years I was a director and on the executive committee of the third largest bank in Canada —that was before it was absorbed by another —and while I do not pose as an experienced banker I know that the chartered banks do take considerable risks. Of course their officers try not to go too far, for they must always keep in mind the solvency of their institution. I cannot understand the complaint we sometimes hear, that there is a gap between the chartered banks and some people in business. Of course, there is a gap between sound and unsound finance, and I hope that gap always will exist. But banks are desirous of lending money. After all, as I heard one banker state, currency can be regarded as merchandise, and the banks are just as eager to lend their funds as any manufacturer or merchant is to sell his wares.

I will not take up more time on this Bill now, but I shall have more to say—and it will not be so favourable—about the Industrial Development Bank Bill, when we receive that measure. I stated last night, and I repeat to-day, I can see no reason for having a bank of that kind. In view of the fact that the Government's post-war commitments now aggregate more than two billion dollars, it is a shock to the taxpayers to be told by the sponsors of the Bill that the Industrial Development Bank is to lend money to small industries on security that would not be considered a good risk by the chartered banks. I sincerely trust that the Government in its wisdom will not proceed further with the Bill, and that it will be dropped. We are in good hands when we are served by the chartered banks

Let me say again, before I take my seat, what a real pleasure it is for me to agree with my honourable friend as to the renewal of the charters.

Hon. R. B. HORNER: Honourable senators, I am sorry if I have to sound a discordant note on this side of the House. I have had considerable experience with banks, and my sympathies are in line with those of honourable members in another place who opposed the extension of the bank charters for ten years. We sometimes criticize other countries for having fetishes, but often when I think of the way we laud the banks of Canada I wonder whether they are not perhaps our sacred cow. At one time I used to feel proud of our banks, just as the honourable leader on this side (Hon. Mr. Ballantyne) does now. But in later years I have come to the conclusion that the success of the country to the south of us is due not so much to a milder climate or anything of that kind as to a system of local banks, instead of a centralized system such as we have.

If you talk to business men from the United States you will find out how their banks co-operate with business. I remember talking to one man who had a large plant manufacturing road machinery. In a little village in Iowa, let us say, a blacksmith invents a marvellous machine. The local bank lends him the money necessary to enable him to manufacture the machine in large numbers, the business expands and employs thousands of people, and the little village grows into a thriving city. I venture to offer the daring suggestion that even though depositors may have lost their money in some of those banks, in the end those very depositors derived indirectly from business development more benefit than they would have derived directly if the banks had kept their money secure. We are sometimes told that our banking system is superior to that in the United States. Will someone tell me, then, why we have to pay $110 or $111 to get $100 of American money to-day?

The banks introduced a system of lending money to professional men and others who were able to give notes signed by endorsers, and even went so far as to advertise in the newspapers for borrowers. But no compensation at all was paid to an endorser, even though in some instances the bank made 9 per cent on the transaction. If the borrower could not pay when the time came to settle, the endorser was told that he should not have endorsed the note.

At one period in Western Canada a large number of men suffered because of lack of judgment on the part of bankers. When cattle were selling at 8 cents a pound the banks wrote letters to everyone who had any security to offer, suggesting that they borrow money and buy cattle. With the knowledge that these large financial institutions are supposced to possess, they should have known the price would soon drop. It dropped to 4 cents, and as a result many men lost everything they had; but the banks had their loans well secured, and they were out scarcely a dollar. When the depression came, successful farmers with an experience of twenty-five years and a good reputation for honesty—men who owned buildings worth twelve to fifteen thousand dollars, and land that is now producing thousands of dollars profit—could not borrow one cent. A leading banker told me that the people of Alberta would ruin their credit by putting in power a Social Credit government. I asked him "What credit?" I remember being at the Point St. Charles yards trying to help our shippers over their difficulties in getting animals to the market—something that I understood. I met a shipper with a car-load of light hogs from Vegreville, Alberta. He was not able to get full weight in the car, and he wanted to know if the railway would reduce the rate so he would not be paying for weight that was not in the car. I asked him why he did not double-deck the car, or buy barley and bring his hogs up to weight. Barley was selling at 7 cents a bushel in Vegreville, as against 40 cents in Montreal. He said, "The difficulty is that the man who has the barley hasn't got the pigs, and he can't go to the bank and borrow a dollar to get pigs to feed them the barley; and the man who has the pigs cannot borrow a dollar to buy 7-cent barley to feed his pigs." When I told this to the bank president he said, "Is it a fact?" I said, "Yes." The head of the Land Department of the Canadian National Railways told me that a section of land which had been a burden on them for years had in the past five years produced crops to the value of $11,000 and had then been sold for $16,000 cash. Yet the bankers of Western Canada were saying, "You have no liquid assets and you cannot have a dollar on land." As a result we had to organize local credit unions. Going back to the cattle question, when you could buy at one and a half cents a pound pure-bred white-faced cattle which formerly sold at eight or nine cents a pound, you could not borrow a dollar from the banks, although your reputation might be first-class. I honestly believe that if we had had local banks instead of a centralized system we should not have had the difficulties I have just mentioned. The chartered banks lost a few thousand dollars in Western Canada, but they lost millions of dollars in South America. These are some of the complaints I have to make against our banking system. I believe our local credit unions will enable us to overcome these troubles.

To-day we have little manufacturing in Western Canada. I suspect there is a reason for this. For instance, suppose I want to start a factory there; when I go to any of the chartered banks for a loan I am likely to be refused, because probably they are backing some man in Montreal or Toronto engaged in a similar business, and their credit is already tied up. For this and other reasons I am opposed to renewing the bank charters for another ten years. I would limit their renewal to a period of one or two years.

Hon. NORMAN McL. PATERSON: May I ask the honourable senator if credit in Western Canada was not ruined by the farmers asking for a moratorium and taking advantage of the Farmers' Creditors Arrangement Act?

Hon. Mr. HORNER: If my memory serves me right, the banks absolutely quit before the Farmers' Creditors Arrangement Act came into force. I grant you that the Act did a

great deal to destroy confidence, but that situation, at all events in the province of Saskatchewan, was brought about by reason of the Act being administered in a way in which it should not have been administered. The banks did not suffer a great deal, but their attitude to borrowers was a crime. If the banks had advanced money when the farmers needed it, those farmers would never have had to take advantage of the Farmers' Creditors Arrangement Act. I know many cases where the banks settled a man's account of two or three thousand dollars for a thousand dollars, and where that same man to-day has $6,000 on deposit. There was no occasion for the banks to take the attitude they did. They were partly responsible for the Farmers' Creditors Arrangement Act.

Hon. Mr. PATERSON: I might reply to the honourable senator by saying that I am not a shareholder nor am I connected with our chartered banks in any way, but over a period of thirty-four years in business my experience of our banking system has been most satisfactory. About a year ago when one of my ships went ashore off Cuba it was very gratifying to me to be able to borrow from one of our prominent banks the money necessary to get her afloat and on her voyage again. I think our chartered banks deserve a great deal of credit for their initiative in establishing branches and introducing our financial system in foreign countries, because this has been a great stimulus to our foreign trade. I should like to endorse everything that has been said in commendation of our chartered banks.

Hon. P. R. DuTREMBLAY: Honourable senators, much can be said in favour of our banking system. During the depression we were proud that none of our banks closed their doors, while in the United States the number of bank failures was appalling. There is no doubt that our chartered banks are well conducted and never fail to pass the strict investigation made by the inspectors of the Department of Finance. Although we have not so many individual banks as they have in the United States, our chartered banks have branches all over the country to serve local needs. In this way they have rendered a very valuable national service, and in the years to come we should be very careful to do nothing to undermine confidence in our banking system.

Hon. JOHN T. HAIG: Honourable senators, I did not intend to say anything on this Bill until it had been referred to the Banking and Commerce Committee, but I think it well to refer to the remarks of my honourable friend from Saskatchewan North (Hon. Mr. Horner). I live pretty close to his province and know a good deal about it. There is only one charge that can be made against our chartered banks—they have always lent too much money rather than too little.

Hon. Mr. HORNER: Oh, no.

Hon. Mr. HAIG: Always. In Saskatchewan alone between 1920 and 1936 the banks lost $8,000,000.

Hon. Mr. HORNER: They did not need to lose that; they got frightened.

Hon. Mr. HAIG: They lost that $8,000,000 in Saskatchewan. We in Manitoba started local credit societies, of which my honourable friend approves. We also started a savings bank. We lent the depositors' money on farm lands, and also in live stock, machinery, and things of that kind. We lost two and a half million dollars on live stock and another million dollars in trying to collect the loans. We got our capital back on the farm loans, but we lost the interest.

Suppose I want to buy a half section of land and go to a bank and say I should like to have a loan for that purpose. The manager would discuss it and then say: "Well, Mr. Haig, that is a very fine scheme, but, honestly, that is a proposition not for a bank, but for a loan company, on a long-term basis." Many of our farmers have resented the fact that the banks would not make them long-term loans to buy land adjoining their farms. It was no use for a farmer to tell the bank manager, "I will pay it back this fall." True, this year some farmers will be able to pay the cost of their farms out of one crop, but that is not generally the case.

When President Roosevelt came into office banking conditions in the United States were appalling. I am surprised to hear my honourable friend praise the local banks in the United States. A local bank may be a good institution in a district where there is considerable crop diversification, so that if one crop fails there is another to take its place; but in the prairie country the backbone of our prosperity by and large is one crop—wheat. True, we raise cattle and hogs, and grow barley, oats, flax and corn; but the great basic crop is wheat, and when it fails there is absolutely nothing to take its place. That is why in connection with the income tax I have urged—and I am going to urge again—that a five-year average should be the basis on which a farmer's income is taxed.

Hon. Mr. HUGESSEN: That is provided for in the amendment.

Hon. Mr. HAIG: I know, and I advocated it here when the matter was being discussed. I do not own a cent's worth of bank stock. I do not owe a nickel to any bank.

Some Hon. SENATORS: Good!

Hon. Mr. HAIG: Sometimes in the past I have owed the banks a lot of money, but since my appointment to the Senate the banks regard me as too big a risk. I guess they think that when men become senators they are likely to die. I feel certain that if you took the record of my honourable friend from Saskatchewan North you would find that he has made hundreds of dollars by the banks. He is a shrewd speculator—

Hon. Mr. BALLANTYNE, Hear, hear!

Hon. Mr. HAIG: —a shrewd business man. But the wind has been blowing from Alberta, where you can make a $10 bill appear to be worth $100, and that has affected his sight, if nothing else. I do think that we in Canada are very fortunate in our banking system. Those in the House who are practising lawyers know what occurs when a client dies and there is immediate need of two or three hundred dollars. If the family has a deposit in the bank, a little nest egg of two or three hundred dollars, it is at once available to meet urgent expenses. True, all the people of Canada could not get their money in an afternoon. That is something which has never been demanded.

When the Bank of Canada was established the Government of the day took fifty per cent of the stock, and the other fifty per cent went to the public. I thought that was all right. Then in 1937 or 1938 the present Government took over all the shares. I think that is even better. Anybody who has attended the meetings of the Standing Committee on Banking and Commerce has realized what control the Bank of Canada has over the banks. When times are bad it lends them money, and when times are good it calls the funds in.

My honourable friend from Saskatchewan North (Hon. Mr. Horner) says that the banks should know when a depression is coming and avoid lending too much money. Let me give an illustration of what happens. In 1928 the Grain Exchange people thought the price of wheat was going up, and they said: "Sell to the pool, they are not speculators." But in 1930 the pool was just as deeply involved in speculation as other people, hundreds of whom found themselves holding five thousand or ten thousand bushels of wheat. If there is any banker in the country who can tell when a depression is coming, he should be running the finances of the Dominion. Such a man could make millions. There would be no necessity for him to hold a humble position such as a senatorship. I know men who in March, 1929, held stock in the Winnipeg Electric, which at that time was worth $112 a share. One year later it was worth only one dollar a share. If any of these men had known what was going to happen they could have made millions by selling short. On one occasion I rode up from the station with a former prime minister of the province. On the way he said: "I have three hundred shares of stock in the Royal Bank of Canada, but I am going to sell them." When I said, "Why?" He said: "A man in public life should not have holdings in anything." After the depression, I met him again, and I said: "Did you sell your stock?" He said: "I told you I was going to sell it, and I sold it the next day." I said: "Did you sell it because you were to be prime minister or because your judgment dictated its sale?" He sold it in April, 1929, at the top of the market. To-day that man is a millionaire many times over, and you can understand why. I have listened with great attention to the arguments of honourable members opposite, both in Committee and in the House, and nothing that has been said causes me to think that any system advocated would improve the financial stability of the banking institutions of this country. Our banks are simply institutions in which we deposit money, and they invest it and pay it back to us if we want it. I know of one bank, the stock of which cost its original purchasers $150. To-day that stock is worth $132; it earns about five per cent, and those who own it are subject to double liability.

Hon. Mr. HORNER: What did they receive in the past?

Hon. Mr. HAIG: Never more than six per cent on the actual investment. True, if I put $100 in bank shares drawing only four per cent and left it for thirty years, I would not make as much as if I had put it into some other enterprise at six, seven or eight per cent. There has been no scrambling for bank stocks. In order to get more people interested in the banks, this Bill provides that the shares shall be in units of $10 instead of $100, as in the past.

I think our country is to be congratulated on having men who, when this country was new, adopted the banking system we have with all its controls, which are superior to any local controls. In Saskatchewan we had the Bank of Weyburn, and the people behind it were mighty glad to sell out.

Hon. Mr. HORNER: I could tell you something.

Hon. Mr. HAIG: Oh, yes, you could tell me that they went in and bought out some other banker. But that is only a detail.

The fact is that the banking business of Canada has been conducted on a sound basis, and I am in favour of the system that exists. One bank is now making personal loans up to $150—and it does not charge an excessive rate of interest. Furthermore, the banks of this country have done a tremendous amount of work for the Government, for which they have received no recompense at all.

It has been suggested that the Government could get all the money it required for nothing, simply by issuing paper. Of course it could, but that would mean inflation. We are borrowing close to three billions from the people this year by way of bonds. I have seldom heard a more able speech than was delivered by the Finance Minister three days ago when he said that we were fortunate in having the banks carrying on the business of the country.

I am strongly in favour of the Bill.

Hon. W. RUPERT DAVIES: Honourable senators, I shall be very brief. I am not as fortunate as the honourable senator who has just sat down (Hon. Mr. Haig), who said he did not owe the banks a cent. Speaking as one who owes them a lot of money, I want to say that I heartily approve of the Bill and endorse everything that has been said about it by the leaders on both sides of the House.

My real purpose in rising is to say that in my opinion the people of Canada owe a debt of gratitude to the Committee members in another place who, for about fifty days, sat and patiently listened to people propounding schemes about what I call, "funny money"—schemes which few of us understand. I attended several meetings of the House of Commons Committee, and I confess that I was confused. But when a measure is put before another House of this Parliament and is passed by a vote of 84 to 6, no one can tell me that the 84 are wrong and the 6 are right.

I heartily agree with the honourable Leader opposite that the banks of this country have been well run, and that the people and the small business men of the country have confidence in the banks. While this may not be the time to discuss the Industrial Bank Bill, like the honourable senator opposite (Hon. Mr. Ballantyne) I am puzzled to know why we need an industrial bank at this time. The small business man is properly and decently and honestly treated by the banks of this country.

Hon. J. P. MOLLOY: Honourable senators, I wish to say just a word. I think I can safely say that probably I have lived in western Canada longer than any other honourable member of this Chamber except one. I simply rise to say that the honourable senator from Saskatchewan North (Hon. Mr. Horner) has made a clear-cut statement, and that nobody in this country can disprove one single word that he has uttered. Our banking system is a good one; but the fact remains, as was pointed out by the honourable senator, that thousands of times when the banks could have assisted the men on the prairies they positively refused to do so.

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

REFERRED TO COMMITTEE

Hon. Mr. KING: I would move that the Bill be referred to the Standing Committee on Banking and Commerce, and if I may be permitted to do so, I would suggest that the Committee should meet to take this Bill under consideration immediately after the House adjourns this afternoon.

The motion was agreed to.

FARM IMPROVEMENT LOAN BILL

FIRST READING

A message was received from the House of Commons with Bill 134, an Act to encourage the provision of intermediate term and short term credit to farmers for the improvement and development of farms, and for the improvement of living conditions thereon.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

He said: Honourable senators, as I indicated a short time ago, certain sections of the Bank Bill make provision to liberalize the credit to be given to farmers. The terms on which the Government may make commitments under that measure are set forth in this Bill. The Bill is simple in character, and could very well come under discussion when we consider the main Bill in Committee.

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

REFERRED TO COMMITTEE

Hon. Mr. KING moved that the Bill be referred to the Standing Committee on Banking and Commerce.

The motion was agreed to.

FAMILY ALLOWANCES BILL

REPORT OF COMMITTEE

Hon. Mr. McGUIRE, for the Chairman of the Standing Committee on Banking and Commerce, presented the report of the Committee on Bill 161, an Act to provide for family allowances.

THIRD READING

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

Hon. Mr. KING: Now.

Hon. C. C. BALLANTYNE: Honourable senators, I crave the indulgence of the House if I refer rather frequently to the notes I have before me instead of following my usual practice of speaking extemporaneously. I consider Bill 161 to be so important that I prefer to read what I have to say.

When Bill 161, an Act to provide for family allowances, was introduced into Parliament, the Prime Minister very plainly stated that neither he nor the Government had been in consultation on this important Bill with any of the provincial premiers or their officials. The Parliamentary Secretary to the Prime Minister made a similar statement. Parliament was further informed that this Bill would not come into effect until July 1945, and that the estimated cost was about 200 millions dollars.

The Progressive Conservative party made it abundantly clear, when this Bill was under consideration, that it is not opposed to the principle, but contends that if the terms of the Bill are to be carried out effectively and economically it is absolutely imperative that the provinces be called into conference with the Dominion Government in order that a careful review and study may be made of this very complicated and far-reaching legislation.

Yesterday afternoon, when the Bill was under consideration by the Banking and Commerce Committee, I pleaded with the Government leader and the members of the Committee not to attempt to put this proposed law into operation and start an expensive organization now, but to have the Bill held over until such time as the Dominion and Provincial Governments meet in conference at Ottawa. The Prime Minister indicated some time ago that such a conference would likely take place in the early fall, so there would be ample time to have the Bill considered by the conference before the date on which the Government has stated the Bill will come into effect. I further stressed the importance of delay, stating that while I was not in the confidence of the Government, and of course did not know whether or not another session of Parliament would be held before the general election, there was a possibility of such a session, and, therefore, if the Bill was withheld until the proposed conference between the Dominion and Provincial Prime Ministers, it could be considered and possibly passed at that next session. I also pointed out in plain terms that the money required to pay the total cost of this Bill—amounting to some 200 million dollars or more—would be raised by means of taxes from all the provinces, and that therefore it was only just and right that the provinces should be brought into consultation. If this were not done, it would be a repetition of an historic event of the past—taxation without consultation.

If this Bill is put into effect, Ontario's share of the taxation will amount to 100 million dollars. Last night Premier Drew made a very significant statement when he said in a wide broadcast that his Government intends to do "everything within its power" to see that the recently passed Family Allowances Bill does not go into effect. Mr. Drew said "It is not this Bill alone, but the whole principle involved which we intend to resist." The Premier stated he had been advised by Attorney General Blackwell that family allowances "are entirely within provincial jurisdiction, and it would not be possible for the Dominion Government to pay the baby bonds and other obligations they have assumed without continuing to occupy the field of taxation vacated by the provinces only for the purpose of permitting the Dominion Government to wage total war."

In view of the fact that the Ontario Premier has challenged the constitutionality of this Bill and positively stated that he will not permit Ontario's participation, it is apparent to anyone that it would be futile for the Government to try to rush the Bill through in the closing hours of this session.

Before I conclude, may I once more plead with the honourable leader that no attempt be made at organization or that no expense be incurred in connection with this Bill until it is definitely settled either that the federal Government has constitutional jurisdiction or that Premier Drew's attitude is correct. In any event, a legal battle is indicated. Let me urge once more, as I did in committee yesterday, that this Bill be not proceeded with but that it be held in abeyance until the Dominion-Provincial conference is held.

Mr. Brooke Claxton, Parliamentary Assistant to the Prime Minister, when explaining the Bill to the Banking and Commerce Committee of the Senate yesterday, stressed over

and over again the necessity of friendly co-operation with the provinces, pointing out that they had so many agencies already dealing with mothers allowances and other welfare schemes that co-operation would mean not only greater efficiency but greater economy.

Hon. ARTHUR MARCOTTE: Honourable senators, I wish to make a few remarks on this Bill before it becomes law. I have listened to what has been eloquently said in favour of the principle of the measure. I agree that the time has come for the giving of assistance to large families and needy children. But my approval stops there.

The only allusion to the legality of this measure was made by the honourable senator from De Salaberry (Hon. Mr. Gouin) in just one sentence. He said:

> The Bill in its present form is certainly constitutional.

But he continues:

> Like many others, I would much prefer a provincial system of family allowances, because such a system would adapt itself more satisfactorily to the local needs and institutions of each of our provinces. This is also true of any other branch of social legislation. I am not speaking now in favour of transferring to Ottawa all our provincial rights in such an important matter.

In committee, I heard the statement made and repeated, that because the federal Government is supplying all the moneys to be disbursed the Bill is intra vires. I cannot agree with that point of view. That the federal Government has the legal authority to raise money through taxation, and to make a gift of it to the provinces or to individuals, there is no doubt; but, as I shall try to prove, it has no power to distribute that money by invading provincial jurisdiction.

The honourable leader of the Government (Hon. Mr. King) tabled legal opinions on this measure. These opinions were reproduced in the House of Commons Hansard of July 21, and with your permission I shall refer to them in making my argument.

The letters, opinions and citations are dated quite a few years ago and refer to the Old Age Pensions Act. It was on account of the analogy between that Act and the present measure that these opinions were tabled first by the Minister of Justice in another place and by the honourable leader of the Government in this Chamber.

Honourable senators are familiar with sections 91 and 92 of the British North America Act, which detail the powers specially given the federal and provincial authorities. Section 92 enumerates the powers of the provinces. Included under subsection 7, are powers regarding the establishment and maintenance of—among other institutions—asylums and charitable institutions in and for the province; and under subsection 13, property and civil rights in the province. Under subsection 14 each province is given control of the administration of justice in the province, including the constitution, maintenance and organization of provincial courts, both of civil and of criminal jurisdiction, and procedure in civil matters in those courts. There is nothing doubtful about that. Family relations, and the maintenance, training and education of children are certainly civil rights. School laws and regulations under them are strictly provincial matters. There is no doubt about that, either.

Let us proceed. The first opinion given is taken from a letter by Mr. Edwards, then Deputy Minister of Justice. This letter is dated May 23, 1925, and reads as follows:

> Dear Sir:
>
> Referring to your letter of the 12th instant, asking to be advised with regard to the authority of Parliament to legislate on the subject of old age pensions, I may say that this subject does not fall specifically within any of the enumerated subjects given to the Dominion under section 91 of the British North America Act, but does in my judgment fall within the subject "property and civil rights in the province," committed to the provinces under section 92. I am of opinion therefore that the subject matter of pensions has been entrusted to the provincial legislatures rather than to Parliament. I do not mean to suggest that Parliament has not the power to legislate upon the subject so as to assist the provinces or to establish an independent voluntary scheme, provided that in either case the legislation does not trench upon the subject matter of property and civil rights in the provinces, as for example by obligating any province or person to contribute to the scheme.

I shall come to this point later on.

> The enactment of such legislation would, however, involve the assumption by the Dominion of obligations involving heavy expenditures with regard to a matter which does not fall specifically within the Dominion field of legislation.

From that it follows that the federal Parliament cannot trench upon the matter of civil rights.

But it has been stated that because the federal Parliament is supplying the whole fund, without asking for any contribution from the province, this Bill is within federal jurisdiction. If the money is to be used to assist the provinces, I should say "Yes;" if it is to be given to individuals, I should say "Yes;" but if the provisions of this Bill and the regulations under it trench upon civil rights, I say "No."

Among the opinions quoted was this statement by Lord Atkin of the Privy Council:

That the Dominion may impose taxation for the purpose of creating a fund for special purposes and may apply that fund for making contributions in the public interest to individuals, corporations or public authorities could not as a general proposition be denied. The point is this: assuming that the Dominion by means of taxation collects a fund, it by no means follows that any legislation which disposes of it is necessarily within Dominion competence.

By section 2, paragraph (h), regulations are defined as follows:

"regulations" means regulations made by the Governor in Council pursuant to this Act.

In almost every clause of the Bill you find regulations, all of which are trenching upon civil rights. Section 4, paragraph 2, deals with the attendance of a child at school or his receiving equivalent training as prescribed in the regulations. Certainly, as honourable senators know, all matters pertaining to school laws and regulations are within provincial jurisdiction, and the federal Government has absolutely no power to make regulations with regard to them.

Section 5 of the Bill reads as follows:

The allowance shall be applied by the person receiving the same exclusively towards the maintenance, care, training, education and advancement of the child, and, if the Minister or such officer as is authorized by regulations in that behalf is satisfied that the allowance is not being so applied, payment thereof shall be discontinued or made to some other person or agency.

Section 6 covers the question of appeal and the formation of a court. This court will necessarily deal with facts and laws which conflict with the laws made by the different provinces. So again it will be a matter of civil rights. This Government has no right to create and maintain the tribunal mentioned in section 6. The making of a gift to anyone does not entitle the giver to trespass on the rights of another. This principle applies also to the relations between the federal Government and the provinces.

In conclusion I say that if the principle of the Bill is acceptable, the clauses trenching on provincial jurisdiction are not acceptable, and the Government should, in my opinion, delay this matter until arrangements are made with the provinces. Otherwise this Act will be ultra vires of this Parliament and will be attacked before the courts. If doubt exists as to the legality of the present measure, there is still plenty of time to refer the whole matter to the Supreme Court for legal opinion.

It may be that because of my desire to save time I have not covered all these points as fully as they deserve to be covered; but I know, honourable senators, that you are thoroughly conversant with the matters of constitutional rights, and I have shortened my argument so as not to unduly trespass on your patience.

Hon. A. K. HUGESSEN: Honourable senators, I am a little surprised that the constitutional issue should be raised at this late stage of our consideration of this Bill. We had a full discussion of the measure on the motion for second reading, and again for several hours yesterday we considered the measure in detail in committee, but that issue was not raised on either occasion. Now, at the last moment, it is raised upon the motion for third reading. I am not prepared and do not propose to discuss the question of the constitutionality or unconstitutionality of this measure, other than to say that the Minister of Justice, who is perhaps the most eminent of our civil lawyers in the province of Quebec, or indeed, in the whole Dominion, has in another place given it as his opinion that this measure is constitutional and fully within the powers of the Parliament of Canada.

As regards those sections of the Bill to which the honourable senator from Ponteix (Hon. Mr. Marcotte) referred, it is perfectly true that the federal authority has no right to impose regulations relating to school attendance or the application of sums by parents, as such, and to prescribe penalties for derelictions. But the federal Parliament can say this: We shall vote certain moneys and give them to certain individuals throughout Canada for certain specific purposes, and if those individuals do not comply with our regulations, then the only penalty is that they will not receive the allowance which otherwise we should give them.

That does not trench upon the rights of the provinces with regard to the regulation of school attendance, the powers and duties of parents, or anything else. It is merely a statement by the Dominion authorities that the allowance will not be paid if parents fail to do certain things. I do not propose to go any further into that question now, because I think the time for raising the constitutional issue is past, and we should now proceed either to pass or reject this measure in accordance with our best judgment.

I want to deal for a moment or two with the suggestion of my honourable friend the leader on the other side (Hon. Mr. Ballantyne). He proposes that consideration of this matter be deferred; that this Parliament do not deal with it now, but that it be referred to the Dominion-Provincial Conference for consultation with the provinces. He tells us, and I have every faith in what he says, that he is

in favour of the principle of this Bill. But he knows as well as I do that the best way to kill the Bill and to deprive the children of Canada of their rights under it is to do the very thing he now suggests.

Hon. Mr. HAIG: Why?

Hon. Mr. HUGESSEN: He wants this measure to be referred to the Dominion-Provincial Conference. I could well understand my honourable friend's suggesting that yesterday; but for him to suggest it to-day, after Premier Drew has said that he opposes the whole principle of the Bill and bitterly contests it, is something that—

Hon. Mr. BALLANTYNE: I do not want to interrupt my honourable friend, but surely he will be fair. Before the committee yesterday I stressed over and over again, and so did Mr. Brooke Claxton, the necessity of having the co-operation of the provinces in regard to the functioning of the Bill, and the using of all the various provincial agencies. I said that, inasmuch as the Government has not asked any provincial Prime Minister or official what he thinks of the Bill, it would be unfortunate if it met hostile provincial Governments. Therefore I urged delay until the premiers met, after which the Bill could be managed not only more economically but much more efficiently. I have said to-day exactly what I said yesterday.

Hon. Mr. HUGESSEN: That is just what I object to, because my honourable friend did not know yesterday what he knows to-day—that if this matter is referred to the Dominion-Provincial Conference Premier Drew will kill the Bill.

Hon. Mr. HAIG: How can he kill the Bill?

Hon. Mr. HUGESSEN: My honourable friend referred to the appearance of the Parliamentary Assistant before our committee yesterday afternoon. As he well knows, the Parliamentary Assistant made it clear that if the Bill is to come into effect as early as July 1, 1945, as one of its terms expressly states, it will have to be passed now. The reason is that a great deal of complicated machinery may have to be set up in order to bring the law into operation, and that may require at least six months' preparation. That is another reason why I object most strongly to the suggestion that the Bill should be held over pending a Dominion-Provincial Conference, the date of which we do not know. Not only do we not know when it will be held, but we do not know when, after it is held, Parliament will meet again and the Bill be passed. What my honourable friend is suggesting, in effect, is that the Bill do not come into force on the 1st of July, 1945, and to that I am absolutely opposed.

Hon. Mr. BALLANTYNE: Absolutely not. My honourable friend should be fair. I will not stand for any such accusation as that. It is absolutely inaccurate. I should like to use a stronger word, but I will not.

Hon. Mr. HUGESSEN: I am not suggesting that my honourable friend is deliberately taking that attitude. But I do submit that the result of his attitude would be exactly what I said, that the Bill would not come into force on the first of July next.

Hon. Mr. HORNER: I do not think it will anyway. It was never intended to.

Hon. Mr. HUGESSEN: We heard something this afternoon from my honourable friend about the Premier of Ontario. It appears that yesterday evening the Premier gave a radio address, in the course of which he stated that his Government would do everything within its power to see that the Family Allowances Bill does not go into effect. He added:

> It is not this Bill alone, but the whole principle involved, which we intend to resist.

I take it that my honourable friend disagrees with that statement and agrees with the principle of this Bill. The Premier is said to be an ambitious man.

Hon. Mr. BALLANTYNE: If my honourable friend wishes to delve into other people's minds, he is perfectly welcome to do so.

Hon. Mr. HUGESSEN: Perhaps my honourable friend will allow me to guess what is in the mind of the Premier of Ontario. I will go further. I can tell what is in his mind from what he has said in public. I do not know very much about him except that, as I say, he has the reputation of being an ambitious man—

Hon. Mr. BALLANTYNE: And an able man.

Hon. Mr. HUGESSEN: —and rumour had it a week or two ago that he was anxious to supplant Mr. Bracken as the federal leader of the Progressive Conservative party.

Hon. Mr. HAIG: He has denied that.

Hon. Mr. HUGESSEN: That was denied?

Hon. Mr. HAIG: Certainly, by him.

Hon. Mr. HUGESSEN: In reading the speech of Premier Drew I was interested to see the very wide scope he took. In addition to saying a good deal against the province of Quebec, he went out of his way to compliment,

in turn, every other province of the Dominion. He even went so far as to say that the people of Ontario were delighted that they had been able to contribute to the cost of car ferries to Prince Edward Island. So I take it that even if he does not wish to supplant Mr. Bracken as leader of the Progressive Conservative party, at least he considers himself a national figure, with the right to appeal to every one of the provinces in turn.

Hon. A. L. BEAUBIEN: Except one.

Hon. Mr. HUGESSEN: Except one, as my honourable friend says. This much I think is clear from the premier's broadcast. To serve his political ends, he is willing to do two things: first of all, to raise the race cry against the province of Quebec;—

Some Hon. SENATORS: Order! Order!

Hon. Mr. HUGESSEN: —and, secondly, to sacrifice the children of Canada to serve his own political ends.

Some Hon. SENATORS: Order! Order!

Hon. Mr. MURDOCK: That is all there is to it.

Hon. Mr. HUGESSEN: The Premier of Ontario in his broadcast of yesterday evening calls for "an end of appeasement to the province of Quebec," and he adds:

> Are we going to permit one isolationist province to dominate the destiny of a divided Canada?

Hon. Mr. LACASSE: Shame!

Hon. Mr. HUGESSEN: I do not pay very much attention to statements of that kind. I think they are made to serve political interests in his own particular province. He calls for a show-down. Well, I will tell him that if there should be a show-down the vast majority of the English-speaking people of the province of Quebec will stand shoulder to shoulder with their French-speaking compatriots in that province against the arrogant presumptions of men of the kidney of Bruce and McCullagh and Drew.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HUGESSEN: I say, let us pass this Bill in the interests of the children of Canada, and let the Premier of Ontario do his damned'st.

Hon. FELIX QUINN: Honourable senators, unlike the honourable gentleman who has just taken his seat (Hon. Mr. Huggessen), I am not going to make a political speech.

Hon. Mr. LACASSE: Unlike the Premier of Ontario.

Hon. Mr. QUINN: The Premier of Ontario speaks for the people of Ontario.

Hon. Mr. KING: Does he?

Hon. Mr. QUINN: I would judge so.

Hon. Mr. LACASSE: He does not speak for me.

Hon. Mr. QUINN: That is a matter of opinion.

My purpose in rising was to take exception to what the honourable member from Inkerman (Hon. Mr. Hugessen) said at the beginning of his speech, that the constitutional question was never discussed or considered until we had the speech of Premier Drew. I take exception to that statement, first, because the honourable senator intimated that our leader on this side of the House was influenced by that speech, and, second, because the statement is incorrect, inasmuch as the honourable member from Peterborough (Hon. Mrs. Fallis) brought up the point the other day. It may be that she did not use the word "constitutional," but she brought up the point, and suggested that this Bill should be delayed until after the provinces were consulted. If that was not an intimation that in her opinion the Bill was not constitutional until the provinces had been consulted, I do not know what it was. It was a suggestion, and the honourable gentleman who leads this side of the House made it the basis of his argument in Committee from the very beginning. I think it is unfair, therefore, that the honourable gentleman from Inkerman (Hon. Mr. Hugessen) should intimate that anyone on this side of the Chamber was influenced by the speech of Premier Drew. Furthermore, I do not think it is right to bring politics into this discussion at all.

Hon. Mr. MURDOCK: Oh, oh.

Hon. Mr. QUINN: My honourable friend from Parkdale (Hon. Mr. Murdock) may laugh. He cannot see anything from other than a political standpoint. Everything he considers must be political.

Hon. Mr. LACASSE: It is a case of self-defence.

Hon. Mr. QUINN: This Bill cannot suffer by being delayed. Honourable members who have argued in its defence have said time and again that it does not come into effect until the 1st of July next year. That is eleven months from now. Well, why rush it? Are they afraid that it will not come into effect on that date? Are we to infer that the provinces will raise objection to it? We have heard from only one, Ontario, whose premier last night said that he would fight it to the bitter

end. What does the Premier of Manitoba say? What about the premiers of Saskatchewan, Alberta, British Columbia, and the three Maritime Provinces? What does the newly-elected Premier of Quebec say?

Hon. Mr. LACASSE: We do not know who he is.

Hon. Mr. BALLANTYNE: Ask Charlie Howard.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. QUINN: Just because Premier Drew is the only one who has spoken in opposition to the Bill we must not assume that he is the only provincial premier who will object. I ask once more how the Bill is going to suffer if it is delayed until Parliament sits again. Are my honourable friends afraid that they will not be returned after the election? Is that the difficulty?

Hon. Mr. MOLLOY: No, no.

Hon. Mr. QUINN: It smacks of something like that.

Hon. Mr. MOLLOY: There is nothing to be feared from that side.

Hon. Mr. QUINN: You cannot tell me that. I ask: Are honourable senators opposite afraid of being defeated? I think there is considerable fear of that.

I had not intended to speak on this Bill at all, but the argument in this Chamber has been such that I have now made up my mind to oppose the Bill.

Hon. JAMES MURDOCK: Honourable senators, I have been waiting for two or three years to place something on the records of the House, and I think that this is a splendid opportunity to do it. I have before me a copy of the Ottawa Morning Journal, containing an article the headlines of which read:

Drew to try block family allowances.
Quebec shouldn't get preferred treatment while refusing to bear full burden.

Hon. Mr. LACASSE: That is still to be proved.

Hon. Mr. MURDOCK: The article says:

Drew termed the family allowances bill an "obvious bribe" and said "there was every reason why this measure should meet with approval" in Quebec where there was "a very important election approaching." Millions of dollars from the pockets of the people of Ontario would go to the province of Quebec under the measure, the premier added.

He said the people of Ontario would be asked to pay nearly half of the $200,000,000 which would be needed as the initial amount to put the family allowance act into effect.

Now, from where and how did this $100,000,000 come into the pockets or the hands of those who will be asked to pay it by way of taxation into this particular project? It came from past protectionist policies that maintained brown-stone fronts and big gardens, while poor working men were placed on pension when they were no longer able to work.

Hon. Mr. HORNER: Order!

Hon. Mr. MURDOCK: A considerable number of millionaires—

Some Hon. SENATORS: Order!

Hon. Mr. MURDOCK: We have on the corner of York and King streets in the city of Toronto an enormous building. How was it built? From the mining revenues that came to certain individuals.

Hon. Mr. LACASSE: Newspaper publishers.

Hon. Mr. MURDOCK: And Mr. Drew objects to any of the taxes of those multi-millionaires going towards putting shoes on the feet or bread and milk into the stomachs of dependent children in Quebec and other provinces.

Now, here is what I have been wanting to get on the record for a number of years. Who is this man Drew, and what is his judgment? Let us see. On February 11, 1938, Colonel George A. Drew addressed a meeting in Dominion United Church, Ottawa. The title of his address was, "Communism comes to Canada." The next day both the Ottawa Journal and the Citizen carried some reference to the Colonel's remarks of the previous evening, and in the light of the education that has come to the world during recent months as to the unity, loyalty and democratic fighting spirit of the Russian people, one cannot help wondering whether in February, 1938, the gentleman who is now the distinguished leader of the Government in Ontario was not somewhat mistaken, and perhaps unduly biased in some of the views he held. Unquestionably in 1938 Colonel Drew did not expect that soon he would be reading the reports of the wonderful achievements of the Russian people that have come to us during the past several months.

The heading I have read gives you an indication of what Colonel Drew was talking about. Incidentally I was at the Dominion United Church on the occasion in question.

An Hon. SENATOR: Good!

Hon. Mr. MURDOCK: A young French Canadian who is now at one of the fighting fronts was at our home at the time, and I

took him with me to hear what Colonel Drew had to say. I came away from the meeting believing that George Drew had given us a pretty correct estimate of conditions in Russia. I happened to have a rather close relative who is a professor in one of the important universities in the United States, and he and his sister had been in Russia a year or two before this—

Hon. Mr. HORNER: I wonder what this has to do with it.

Hon. Mr. MURDOCK: You don't like it?

Hon. Mr. HORNER: I am not concerned at all. I just wonder what this has to do with it.

Hon. Mr. MURDOCK: You are going to get it whether you like it or not.

The Hon. the SPEAKER: Order! The honourable gentleman from Parkdale has the floor.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Mr. Speaker—

The Hon. the SPEAKER: Just a moment, please. When an honourable senator desires to raise a point of order, he must rise and state his point of order.

Hon. Mr. HORNER: My point of order is this, your Honour. I doubt the wisdom of bringing the whole Russian question into this matter.

The Hon. the SPEAKER: That is not a point of order; that is only an interjection into the speech that is being delivered. If any honourable senator desires to bring up a point of order he should rise and say, "Mr. Speaker, I rise to a point of order," and then state the point of order. He should not say, "I doubt" something or other.

Hon. Mr. HORNER: Mr. Speaker, I rise to a point of order. The honourable senator from Parkdale is out of order in discussing the whole question of Russia.

The Hon. the SPEAKER: The question that is being discussed is the degree of credibility that attaches to a pronouncement of Premier Drew. Inasmuch as it is related to the Bill now before the Senate, and as any criticism of the Bill that has been offered can be fully discussed, I think the honourable gentleman is in order in attempting to discredit the gentleman who made the statement criticizing the measure.

Hon. Mr. MURDOCK: As I was going to say, honourable senators, I had been told by the distinguished professor who had visited Russia with his sister that things there were going along splendidly, and after hearing George Drew I doubted what had been told me. Why was this? What did Colonel Drew say? The Ottawa Journal of February 12, 1938, in its report of the address delivered in Dominion United Church on the previous evening, the title of which was "Communism comes to Canada," says, in part:

He said that under Russian Communism to-day there are no greater inequalities in any country in the world. "On the one hand is filth and indescribable squalor. Men and women who work ten, twelve and fourteen hours a day can scarcely make enough to keep body and soul together, but in Moscow the commissars, heads of factories, propaganda writers and artists ride in luxurious cars and receive salaries as high as one hundred thousand dollars a year, and more. Comrade Kalinin, the President of the impoverished Soviet Paradise where all men are supposed to be equal, was recently voted an annual salary of sixty thousand dollars a year by the government." Colonel Drew asserted that practically all the great construction works in Russia were carried out by prison labour despite the fact that the primary object of Communism was to end the days of political imprisonment, which was one of the very just complaints charged against the Czar's regime.

Concentration Camps

"We have heard a great deal about the concentration camps in Germany, and we should hear a great deal more. But how often do we hear from the League of Peace and Democracy and other adjuncts of the communistic party about the concentration camps in Russia, which are the most pitiful examples of man's inhumanity to man to be found anywhere in the world to-day." Colonel Drew stated that his visit to Russia convinced him that Communism was a ghastly failure. "It is a nation of privilege to the few in which the privilege is enforced by firing squads without trial. Less than one-half per cent of the people living in Russia are members of the communistic party, and yet it is only members of that small minority who may become members of Parliament or may occupy any of the senior positions in the government."

Colonel Drew said that it was quite clear there was no such thing as a separate form of Canadian communism, but that it was part of the Moscow organization, its aim being the complete abolition of the state by an armed uprising.

Now, so as not to have it too one-sided, let us look at the Ottawa Citizen of February 12, 1938. Its report, which was not so extensive, was in part as follows:

The speaker opened his address by declaring that if Communism could substantiate its claim of improvement and greater equity in living, then it should be adopted. But on the contrary, he said, the injustices existent under a communistic state such as Russia were much greater than in other countries.

Fascism Always Follows

"One of the greatest dangers of Communism or its approach," Colonel Drew said, "was that Fascism always follows in its wake, and in all the present Fascist countries in Europe

to-day there was at one time a communistic government or communistic danger. As strongly opposed to Fascism as I was to Communism," the speaker declared, "I saw nowhere in Germany such bad conditions as exist in Russia." In his visit to the Soviet Union he saw much poverty and oppression, with high living prices and wasteful expenditure as well as a wide range of wages.

That is the gentleman who gets front page notoriety in the Ottawa Journal to-day for saying that he will try to block this Family Allowances Bill. Whom is he working for? He is working for the dyed-in-the-wool Tories who have been trying to exploit the people of Canada for many years. Those Tories have been making their millions, but he objects to a law that would dig into their pockets and give out any of their millions to supply children with bread, milk and shoes. That is the man we have before us to-day.

One word more. What has Colonel George A. Drew got to do with the right of the federal Government to make this humanitarian gesture of devoting $200,000,000 or $250,000,000—

Hon. Mr. HORNER: "Gesture" is a good word.

Hon. Mr. MURDOCK: —to underprivileged children in all the provinces of Canada?

It has been argued by some honourable gentlemen opposite that this measure should be postponed until the Interprovincial Conference. That is only an indication of their sincere hope that something will be held up and a general election come along before the quarrel is settled and anything arranged. That is all there is to it.

Hon. Mr. MOLLOY: That is the whole game.

Hon. Mr. QUINN: Why are you afraid?

Hon. Mr. MURDOCK: I am not a bit afraid.

Hon. Mr. QUINN: You talk as though you were afraid.

Hon. Mr. HORNER: Why did it take you years to do this?

The Hon. the SPEAKER: Order.

Hon. Mr. MURDOCK: I am not afraid to have this Bill given third reading in the Senate and passed into law, as promised in the Speech from the Throne on the 27th of January last. That is what should be done.

Hon. Mrs. FALLIS: Would the honourable senator permit me to ask just one question? Did he oppose holding the National Health Bill for the Dominion-Provincial Conference? That measure has been considered in the other place for two years and has been held up until approved by the Conference. Did he oppose that, or would he oppose it?

Hon. Mr. MURDOCK: No, I did not. That is surely an entirely different matter from this. This is a direct guarantee of $200,000,000 or $250,000,000 for the relief of needy children.

Hon. P. R. DuTREMBLAY: Honourable senators, I have only a few remarks to make on this very important Bill. I am in favour of it, but I think it should be improved in some parts, especially in this proviso at the end of section 3:

> Provided that the allowance payable shall, in respect of a fifth child maintained by the parent, be reduced by one dollar and in respect of a sixth child and a seventh child respectively so maintained, by two dollars and in respect of an eighth child and each additional child respectively so maintained, by three dollars.

I agree that when there are seven or eight children in a family the cost of raising the younger ones may drop a little, but I feel that the reductions of two dollars and three dollars as provided for here are too great: a deduction of one dollar would have been enough.

This is a Bill of great importance, and it will benefit a large number of families. I understand there are in Canada about 350,000 families with children under sixteen years of age. Perhaps one-third of these families are poor enough to need the assistance that the Bill is intended to give, and therefore it seems to me it should be passed as soon as possible. It is because of the benefits poor families would receive that I am in favour of the principle of the measure. As time goes on the legislation could be improved in many ways, especially in respect of the proviso to which I have already referred.

It was suggested this afternoon that passage of the measure be postponed until the provincial prime ministers meet. We do not know yet when the Conference will be held. It has been spoken of frequently, but no definite date has been set, and at present we cannot say whether the meeting will be this fall, next spring or next summer. But we do know that a large number of families throughout the country are waiting for these allowances. It is for Parliament, not the prime ministers of the provinces, to decide whether the grant is to be made. If I understand correctly, the provinces will be consulted in the distribution of the allowances, but of course they have nothing to say on the question of whether Parliament should or should not enact this legislation. If the prime ministers did meet, some of them would agree to a certain form of administration, while others might be opposed to the whole thing. Uncertainty as to the attitude of

the provincial prime ministers is no reason why this measure should be postponed. The responsibility rests upon Parliament. It is for us to decide whether we should make a grant of $200,000,000 to the children of this country.

I am sure the honourable leader on the other side (Hon. Mr. Ballantyne) does not desire in his heart to have this Bill defeated. In fact, he said he was in favour of it, and I know he would like to see the money made available to needy families. Does he not fear that if the measure were postponed indefinitely there would be danger of its never being passed? The session may end this week or next week, and before we meet again there may be an election. I do not know who will be elected. The present Government believes it will be returned, and our friends opposite hope their party will be returned. At this moment I am thinking of the 350,000 families who would benefit by this Bill. They are concerned, not as to who may form the government after the next election, but as to whether they are going to get financial aid in raising their children. Those people do not want anything to prevent the passage of this measure. I am sure it is our duty to pass it to-day.

A question was raised regarding the legality of the measure. That has been thoroughly discussed in another place. I have read the debate there, and especially what was said by the Minister of Justice, who is a great lawyer. He quoted legal opinions that had been given by a former Deputy Minister of Justice, and other authorities, and I think the conclusion is that this measure undoubtedly comes within the jurisdiction of Parliament. So far as I can see, the Bill does not infringe at all on the rights given to the provinces by our Constitution; therefore I submit we should not hesitate to pass it.

I wish to say that the sponsor of this Bill in another House—I should like to be allowed to name him—will by reason of his enlightened policy be recorded in history as the greatest benefactor of the people of this country.

Some Hon. SENATORS: Question!

Hon. W. J. HUSHION: Honourable senators. I rise to say a few words in support of this measure. I regard this Bill as the finest piece of legislation ever introduced in the Parliament of Canada. I cannot understand the position of the honourable leader opposite (Hon. Mr. Ballantyne) in opposing it, especially bearing in mind that he has extensive business interests in the great city from which he comes and is familiar with the deplorable conditions that prevailed there during the depression. Over a period of years I have had a good deal to do with many labouring men in Montreal, and, as honourable senators will appreciate, on a weekly wage of from $20 to $25 those men find it very hard to maintain a wife and three or four children.

I must compliment the honourable senator from Inkerman (Hon. Mr. Hugessen) on his well-reasoned argument in support of the Bill. It has been said that Mr. Drew and Mr. Duplessis are opposed to this legislation. Well, I should not expect a great deal of co-operation from either of them.

Hon. Mr. HAIG: Who is Duplessis?

Hon. Mr. HUSHION: Do you not know?

Hon. Mr. HAIG: I should like to know.

Hon. Mr. HUSHION: One or two other measures along this line should be taken into consideration when we come to deal with post-war reconstruction and rehabilitation. In this connection I may say I have always thought that old age pensions should be payable at sixty. By contrast with the hundreds of millions of dollars we are spending to send food and clothing to relieve the distressed peoples of Europe, it seems to me a mere trifle to spend a few hundred million dollars for the purpose of improving the health and education of our children.

I want to congratulate the Prime Minister and his Government for introducing this Bill and also the housing bill. If you look back into the right honourable gentleman's history you will find that he has always had in mind the underprivileged people of this country. I am sure that when the election that we hear so much about these days does come he and his Government will be returned by a large majority in recognition of their fine record in furthering the splendid war effort of this country, and for initiating this and similar legislation. I am whole-heartedly in favour of this humane measure which, in my opinion, demonstrates that its sponsor is the greatest Prime Minister that Canada has ever had.

Hon. J. J. DUFFUS: Honourable senators, on August 3rd when this Bill was under discussion on the motion for second reading, I was rather confused by the speech of my honourable friend from Saskatchewan North (Hon. Mr. Horner). Now I am more confused than ever by the spectacle of the honourable leader opposite (Hon. Mr. Ballantyne) taking a similar stand, for I have learned that the leader of the Opposition in the other House not only voted for the Bill, but declared, "That likewise goes for John Bracken." Now we have the Premier of Ontario coming into the picture. I need pay little attention to his opposition, for the

reason that by the time the Bill goes into effect he will not be the premier of that province.

Some Hon. SENATORS: Oh, oh!

Hon. Mr. DUFFUS: My honourable friends opposite may laugh,—

An Hon. SENATOR: Sure.

Hon. Mr. DUFFUS: —but I am quite certain I am correct. Anyway, time will tell.

An Hon. SENATOR: It is a joke.

Hon. Mrs. FALLIS: Evidently the honourable gentleman does not expect to see this Bill put into force for a long time yet.

Hon. Mr. DUFFUS: When last Thursday the honourable member from Saskatchewan North had concluded his remarks I said:

> I did not want to interrupt the honourable member during his speech. Now I should like to ask him a question. If this measure is as vicious as the honourable senator has indicated, why with but one exception did all the members in another place vote for it?

I must now again ask for an answer to that question.

Some Hon. SENATORS: Question!

Hon. R. B. HORNER: The time has passed for that answer.

Perhaps the honourable senator from Inkerman (Hon. Mr. Hugessen) will allow me a few words. Before we heard that any provincial premier was opposed to this Bill I voiced my opposition to it. I am still opposed to the measure, and I shall vote against it. At a time when the country is burdened with taxes, I think it is unwise to add another $200,000,000 to the heavy load our people are already bearing.

The honourable senator from Parkdale (Hon. Mr. Murdock) quoted a speech made by the Prime Minister of Ontario in 1938. I venture to say I could cite speeches along somewhat similar lines made by prime ministers of Canada and other countries. I regret very much that he saw fit to give a political tone to the discussion, for partisanship should not enter into our debates at all. I repeat, I shall record my vote as opposed to this Bill in every particular.

Hon. Mr. DUFFUS: Honourable senators, the honourable gentleman has not answered my question.

Hon. Mr. HAIG: Order! Order!

Hon. Mr. DUFFUS: I think I am entitled to an answer.

Some Hon. SENATORS: Question!

Hon. J. P. MOLLOY: Honourable members, I never write my speeches, for if I tried to do so I might appear more dumb than I have seemed to be in the past.

Some Hon. SENATORS: Oh, oh!

Hon. Mr. MOLLOY: Our friends opposite are now becoming aware that this Bill is very popular throughout the country, and they are trying to find some way of blocking it. Their opposition to it may be covered in five words, each beginning with D: Drew, Delay, Deferment, Debt, Decomposition. That is what our friends opposite want, but it is the very thing they are not going to get.

Hon. Mr. BALLANTYNE: Oh, no.

Hon. Mr. MOLLOY: My honourable friend from Ponteix (Hon. Mr. Marcotte) brought up the question of old age pensions. The Bill providing for old age pensions was the first measure for which I voted as a member of this House If I live for the next hundred years—

An Hon. SENATOR: I hope you will.

Hon. M. MOLLOY: —the reflection that I voted for this Bill will be more gratifying to me than the memory of my vote on any other measure, either in this Chamber or in the House of Commons. What happened to the Old Age Pensions Bill mentioned by my honourable friend? It was defeated by the gentlemen opposite, who delayed it for a year. What about unemployment insurance? When a Bill was introduced to provide for such insurance honourable members opposite said it was a bad thing, that it was unconstitutional, and they spent weeks trying to destroy it. That Bill has proved a great benefit not only to the working men but to the taxpayers of this country, in that those relieved by unemployment insurance would otherwise have become a direct charge on the community.

The strongest argument in favour of this Bill is that it may help—we hope it will, though it should not be necessary—to bring about a natural increase of our population. Recently the Winnipeg Free Press published a series of articles—and these no doubt were read by my honourable colleague from that city, one of which stated that 40 per cent of the families of this country raised and supported but one child. Why? We know why.

Hon. Mr. HAIG: No.

Hon. Mr. MOLLOY: Young married couples to-day say, as I and every one of you have heard them say: "We don't intend to be bothered with any family." Is that true or is it not? I say it is true, and I challenge contradiction

by any member of this House. What is the source of the strength of one of the Axis powers opposed to us to-day? Its strength lies in the loyalty of the people to their emperor, and the proof of their loyalty is that Japan has the highest birth rate and the lowest death rate of any country in the world. The government of Japan said as late as six months ago what they had said at the very beginning of this war: "We will fight the United States until we conquer that whole vast country." How are they going to do it? By the system that is followed in Canada, of placing a ban, so to speak, on the raising of children? No. But that is what is going on each and every day in this country There are in the city of Winnipeg, as of course there are in other cities, women who go around educating wives as to the best and safest way to avoid becoming mothers. Well, if we keep on with our declining birth rate and our mounting divorce cases we shall in time be in a position where it will not cause the Japanese or any other nation a great deal of trouble to take possession of the country we prize so much—the greatest, finest and grandest country in the world.

That is the main reason why I am supporting this Bill. I say frankly that I am very sorry that a bill of this sort was not enacted forty years ago, when it would have helped me to raise my family. I educated my family in the best schools available, and I am very glad I did. Even if it cost me my last dollar, it was my duty to put my children in a position where they would have a better education than ever came to me. That is the duty of every father and mother of this country. And it is the duty of the people of this country to see to it that because of lack of money none of our splendid children shall have to live in absolute poverty or go hungry. My honourable friend from Inkerman (Hon. Mr. Hugessen) has said this is a splendid piece of legislation. I say here, on my honour as a member of this House, that I firmly believe in my heart of hearts this is the greatest and grandest piece of legislation ever brought forth by any Government since the days of Confederation.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MOLLOY: There is no doubt of it. Why should we not do something like this? I remember years ago speaking to the Prime Minister about what he had done or might do, and I remember his answer. He said: "Up to the present time I have not had an opportunity to do for the people what I intend to do later." By this measure he has benefited every home in Canada, whether it needs money or not. As I said yesterday, it is for the very poor, the poor, the middle class, and also for the wealthy, if they desire it. This is a measure in the interests of the common people; and call them as common as you like, there are none so common that their children are not entitled to the same opportunities as the sons or daughters of the wealthiest man that ever lived in this country. The Government has said, and it has put it in writing, that it is going to do something for the hungry and undernourished that will be of benefit not only to them but to everyone in the country; it is going to help produce a healthy, virile race of people—and the greatest asset any country under the sun can have is a virile, healthy, moral, honest, industrious citizenry.

In view of the reasons for the Bill which I have enumerated, why should anybody ask that it be deferred? The whole thing is so necessary and so popular that the only reason for opposing it is that some people have been told by someone else to oppose it in order that they may make some political gain.

I made a statement regarding my position on this Bill yesterday. That statement stands to-day. I think I can safely say that I have been a pretty faithful follower of my party, a pretty faithful all around party man. If there are any men in this country so narrow-minded that they think they can make political capital by opposing this Bill, they have a right to oppose it. If the Premier of Ontario or any other leader wishes to oppose the Bill he has a perfect right to do so. But if I am any judge of human nature—and I think I am—when the people come to settle with the Premier of Ontario he will be very much "in the red". In my judgment any public man who opposes this measure, as he has done, will certainly pay the penalty when the electors of the country get an opportunity to express themselves.

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

Hon. Mr. MOLLOY: Certainly.

Hon. Mr. HORNER: I would ask my honourable friend from his life-time experience as an observant man whether he has found the large family of happy children in the home of the rich or the home of the poor.

Hon. Mr. MOLLOY: As a matter of fact you will find it in both. But I will also say this: From my own observation and experience I honestly believe that there is more happiness in a large family than in a small one—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MOLLOY: —and I cannot understand why some forty per cent of the good

Christians in this country say, "We will have but one child." It puts me in mind of the American system.

Hon. Mr. HORNER: The honourable senator has not answered my question as to where he has found the happiest family.

Hon. Mr. MOLLOY: Happiness is something that depends on the father and mother, and on heredity and all that goes with it.

The Hon. the SPEAKER: Honourable senators, is it your pleasure to adopt the motion?

Hon. Mr. HORNER: On division.

Hon. GUSTAVE LACASSE: Honourable senators, may I be permitted to say just a few words. I wish to call attention to a few facts which have occurred to my mind. To sum up the whole discussion, may I say the measure before us is either good or bad. I take it for granted that it is regarded as a good measure by my honourable friends opposite, because all but one of them agree to the principle of it. I give the honourable senator from Saskatchewan North (Hon. Mr. Horner) credit for being the only one on the other side of the House who has been consistent from start to finish, and in agreement with the premier of my province. I am inclined to wonder what would have happened in another place if the Premier of Ontario had delivered his speech of last night a week or two sooner? Apparently there was a lack of timing somewhere—an utter lack of timing which, though everything else was well staged, is obvious to one and all.

One point that I want to draw attention to particularly is what took place in the days of the old age pensions legislation which has been referred to in the course of this debate. Nobody seems to remember that in those days there was, as there appears to be to-day, one dissenting province. At that time it was the province of Quebec. I do not recall, however, that the then premier of that province delivered a radio address challenging the ideals of any other province in Canada. He just kept quiet, educated his people along the lines of the new Act, and in due course of time, without noise or bluster, lined up with the rest of the country, with the result that all the provinces are now enjoying the benefits of old age pensions without any civil war or threat of civil war. Perhaps some honourable members believe that "civil war" is too ominous a term to be used in this House. If so, I will withdraw it immediately. But the suggestion comes from the Premier of Ontario himself. He said, referring to this family allowance proposal: "You know that we face an issue here in Canada, hardly less important"—that also is an ominous expression—"in its bearing upon our future than the outcome of the war itself." Those are just as ominous words as the ones I uttered, and they are the inspiration of what I said.

I am not going to argue on the constitutional aspect of this matter, because I think my honourable friend from Ponteix (Hon. Mr. Marcotte) has sufficiently enlightened us in that direction. I do not depend on my own personal knowledge, or even my intuition—a word frequently used since the beginning of the war—but I have read the opinion of the Department of Justice. That there is room for discussion about that I will not deny, for I am no judge of such matters. I do not say that this measure is perfect. As far as I am concerned there are a few clauses in it that I would prefer to have presented in some other form. I am particularly opposed to the proviso following clause 4, and I think sooner or later the Bill will have to be amended. This is true of most measures. If it were not, we would not be sitting as a Parliament. I do believe, however, the measure will meet the challenge no matter from what quarter it may come.

Again I want to emphasize the utter and obvious discrepancy between the position taken by "Opponent No. 1," who has repudiated the very principle of the measure, and that of honourable members opposite, who all rose with a smile of enthusiasm to accept the well-founded intention and principle of the measure. Surely this will be confusing to the minds of many electors in Canada when the next election comes around. Of course I would expect a leader of the opposition to oppose simply for the sake of opposing.

Hon. Mr. MARCOTTE: Not here.

Hon. Mr. LACASSE: But it surprises me to find this attitude on the part of one who has passed from the position of the leader of the opposition to that of prime minister of one of the provinces. He should understand that it is not the duty of a prime minister to oppose just for the sake of opposing. As leader of the opposition in the legislature of Ontario, it was all right; but now he should co-operate and lead, instead of opposing whatever comes from Ottawa.

The Hon. the SPEAKER: Honourable senators, is it your pleasure to adopt the motion?

Hon. Mr. HORNER: On division.

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

MORNING SITTINGS

MOTION

Hon. J. H. KING moved:

That when the Senate adjourns on Friday, 11th August, instant, it do stand adjourned until Saturday, 12th August, instant, at 11 a.m.

The Hon. the SPEAKER: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Mr. HAIG: I thought the honourable the Leader was going to change the motion to make it applicable to-morrow.

Hon. Mr. KING: No. Under the rules we can adjourn until to-morrow at 11 without notice.

Hon. Mr. HAIG: Then we will adjourn until 11 to-morrow?

Hon. Mr. KING: Yes.

The motion was agreed to.

INCOME WAR TAX BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 180, an Act to amend the Income War Tax Act.

He said: Does my honourable friend wish to speak to this Bill?

Hon. JOHN T. HAIG: Honourable members, my ears are still tingling from so much political talk, in which I took no part.

Hon. Mr. MURDOCK: Did you get any good out of it?

Hon. Mr. HAIG: Not a bit.

Hon. Mr. HAIG: I do not know yet who is Premier of Quebec and I do not know who is Premier of Ontario.

Hon. Mr. LACASSE: You were told last night who was Premier of Ontario.

Hon. Mr. HAIG: I was told the night before who was going to be Premier of Quebec.

I am persuaded, as I stated in this House a little while ago, that our income tax exemptions are too low.

Hon. Mr. HOWARD: Hear, hear.

Hon. Mr. HAIG: The exemption for single persons should be at least $800, and for married persons at least $1,600. You may say to me if the exemptions were raised to these figures there would be a big drop in revenue. The Minister of Finance said in another place it would mean a drop of about $135,000,000, and I will take his figures as being correct.

This question of exemptions is a highly important one. A number of honourable members have spoken to us about how badly needed the family allowances are. In my opinion financial aid is needed principally by people who never had to pay taxes until the exemptions were lowered to their present level. I feel very keenly about this. I am pleased by many other amendments to the Act, but am disappointed that the Government did not raise the exemptions to the figures I have suggested. Income tax exemptions are reduced by the amount of allowances paid under the Family Allowances Bill, and in that way we are hitting at the very class which renders the greatest service to the country—the class of people who would not have to pay any tax at all if the exemptions were raised to $1,600 for married persons. There is usually a fine family life among that class of people, and in general it may be said that they do more for the community than their fellow-citizens with higher or even with lower incomes. I urge that the exemptions be raised at the next session. I may be wrong, but I think it is likely we shall have another session before the general election.

A further amendment that I think should be made has already been suggested elsewhere. At present it is difficult to get people to work overtime, because the money they make places them in a higher income tax bracket. It is no use to say we do not know this, for everyone knows it. If ever we needed maximum production, we need it now, but the tax on overtime pay keeps people from working longer than their regular hours. Let me give an experience. In a manufacturing plant owned and operated by the Government, about five miles east of Winnipeg, the employees are supposed to work five and a half days a week. An attempt has been made to get them to work on Saturday, and sometimes on Sunday, but the employees refuse, because a large proportion of their overtime earnings would be taken from them in taxes. I know the deputy minister contends that employees do not have to give up too large a proportion of their extra earnings, but that is not the way the ordinary man figures. He says that what he is allowed to keep for working beyond his regular hours is not worth while.

Here is another point. The deputy minister—he was formerly the Commissioner of Income Tax, and is one of the leading officials in Ottawa—said that the present income tax form was as simple as it could be made. He has had people working in an endeavour to prepare a simpler form, but they have not succeeded. I still think that the form for people with income not in excess of $3,000 is

too complicated. It is the Government, not the officials, who get blamed for this. A good deal of the opposition to the Liberal party in Saskatchewan rose out of dissatisfaction with orders in council and regulations made by the Dominion Government. I do not know anything about the situation in Quebec, but I presume there is a similar spirit of protest in that province. I want to tell my honourable friends opposite that in the next Dominion election the opposition to the Government on the part of the people of Manitoba will be based principally on the numerous federal regulations and orders in council, which affect every individual a little differently. Included among these are the income tax regulations. A friend of mine, who has been travelling around Manitoba in connection with the one line of business for twenty-five years, made a survey of the province about a month ago. He told me that the thing that gave him the most concern was the number of Liberals who said they voted for the Government in the last election but, on account of annoying regulations, intend to vote differently next time. He asked them how they would vote, and they replied that they were not sure yet. I believe that kind of reaction is typical. Income taxes are collected from people in every community. The deputy minister told us that there are two million taxpayers in the Dominion now. Only a few years ago the number was nearer to 200,000.

I say again that I am persuaded the Bill should have contained an amendment raising the exemptions to a minimum of $800 for single persons and $1,600 for married persons.

Hon. Mr. PATERSON: May I ask the honourable gentleman a question? I think everyone would agree with what he says, but what is the alternative source of revenue? We all know that this money must be raised. I think the honourable gentleman said that the increased exemptions would mean a drop of $135,000,000 in revenue.

Hon. Mr. HAIG: According to my memory, that was the figure given by the Minister, but I speak subject to correction.

Hon. Mr. PATERSON: What alternative source of revenue does my honourable friend suggest?

Hon. Mr. HAIG: I do not suggest anything. I would rather take a chance on borrowing the money. I may be wrong, but that is my view.

Persons in the relatively higher income brackets may protest at the present rates of taxation, but strictly speaking they have no good ground for doing so when the revenue is directed to winning the war. My whole point is that because of the present low exemptions the people with small incomes are taxed too highly. Take a man with a salary of $2,400 a year. That may be considered a substantial income, but it is certainly not large, especially if a man happens to have a wife and a couple of children to support. Yet the amount he has to pay in taxes is surprising. It will be a little less under this Bill because there will be no compulsory savings. I admit there is no substitute for compulsory savings, but I feel very keenly that you are taxing a class of people that under our economic system are entitled to better treatment.

The Bill contains other provisions which I think are a real step forward. As I have said, I think the introduction of compulsory savings was a mistake. I do not want to be misunderstood. I do not think the Government will get back those savings in another form, but the trouble was they were taken out of the pockets of people who could ill-afford them, while people who could more easily afford compulsory savings enjoyed exemptions by reason of insurance or mortgage payments and therefore were not affected.

Hon. Mr. KING: I hope my honourable friend does not imply that the Government will not pay back those compulsory savings, because that seems to be the popular idea.

Hon. Mr. HAIG: Do you mean a return of what the Government has already taken in the form of compulsory savings?

Hon. Mr. KING: Yes.

Hon. Mr. HAIG: I have never had any fear of that. The public will get back those compulsory savings all right. I am talking of the savings now released by this Bill. Supposing you are a married man getting $2,400 a year. You paid a certain tax, amounting, say, to $100, in which the compulsory savings were included. Under this Bill you will not have to put up that $100; but I do not think it will be invested in a war bond. That is what I meant.

Hon. Mr. KING: You do not think the taxpayer will contribute that $100 in the form of a war bond?

Hon. Mr. HAIG: Yes. The compulsory savings feature will be released by this Bill. I am in favour of this change, because those who needed the relief most did not get it, while those who did not need the relief did get it. As a lawyer I have made out dozens of income tax returns, and I have found that the larger income fellows always had exemptions for insurance and mortgage payments, and therefore did not have to pay anything on account

of compulsory savings; but the small income fellows up to $2,400 had to pay the compulsory savings because they had no voluntary savings. I am willing that the Bill should pass and be referred to our Banking and Commerce Committee.

Hon. Mr. KING: It has been there already.

Hon. Mr. HAIG: Yes; and I want to thank the honourable leader opposite for the explanations there made. I still think that the exemption minimum should be raised to $800 for single persons and $1,600 for married persons; and that overtime pay in war industry should not be taxed.

At 6 o'clock the Senate took recess.

The Senate resumed at 8 p.m.

Hon. A. K. HUGESSEN: Honourable senators, the honourable leader on this side (Hon. Mr. King) has asked me to give a brief explanation of the principal provisions of this Bill amending the Income War Tax Act. Preliminary to my remarks, I should perhaps say that having this afternoon, in company with a large number of honourable senators, roared like a lion, I propose now to bleat like the meekest of lambs.

Hon. Mr. HAIG: Don't include us all in that first class; some of us kept very quiet.

Hon. Mr. HUGESSEN: The changes in the income tax law which these amendments bring about may perhaps best be described in relation to, first, the changes in the taxes on individuals; second, the changes in the taxes on corporations and businesses; and, third, certain administrative provisions. I do not intend to go through the Bill clause by clause. It is rather long, twenty-two pages, and somewhat complicated.

Dealing first with the changes in taxes with relation to individuals, I might say that they are alleviations, minor attempts to temper the wind to the shorn lamb. Honourable senators will recall that in the legislation of 1942 the income tax on individuals was increased by what were described as compulsory savings; that is, they were levied by way of tax. The Government promised to repay the compulsory savings levied in 1942 two years after the war, those of 1943 three years after, and so on. Under this amendment the compulsory savings feature is abandoned. One-half of the tax which would otherwise be payable by way of compulsory savings is remitted for the current year, and for 1945 and subsequent years the tax is entirely remitted.

There is one further feature in connection with the compulsory savings to which I think I should direct the attention of honourable senators. In the case of a man reaching the age of sixty-five years whose total gross income is less than $5,000, the amendment provides that the compulsory savings will then be paid back to him, rather than at a future time on the termination of the war. That is another slight benefit.

There are some alterations of considerable importance in the tax allowances for dependents of the taxpayer.

Hon. Mr. LACASSE: To whom would the compulsory savings be paid in the event of the death of the taxpayer?

Hon. Mr. HUGESSEN: His heirs would get the money back at the conclusion of the specified period.

Honourable senators will remember that a taxpayer is allowed to deduct so much from his taxes for each dependent child whom he suports and for various other classes of relations dependent upon him, such as his parents, grandparents, brothers and sisters. That has been extended in three ways. The taxpayer is allowed to make deductions not only for dependent parents, grandparents, brothers or sisters, but also in respect of dependent parents-in-law, grandparents-in-law, brothers-in-law, sisters-in-law, sons-in-law and daughters-in-law. There is a further provision that the taxpayer may make a deduction from his tax for any dependent child under the age of eighteen years, including illegitimate children —formerly excluded—and also any children wholly dependent on him for support and of whom he has the custody or control, whether or not they are related to him.

There is another slight benefit given in the case where the taxpayer has a daughter between the ages of eighteen and twenty-one years attending hospital and undergoing nurse's training. In such a case he is entitled to a further deduction of $80 from the tax which he would otherwise have to pay. I am sure honourable senators will agree with me that, although the amount is small, it is a step in the right direction, because, as we all know, student nurses have to depend on their parents for support, since they receive no salary of any kind while undergoing training, which, after all, is a matter of national importance, in that the training assures a proper supply of nurses for our hospitals. This is a slight recognition of the parents' responsibility.

Hon. Mr. MURDOCK: Have you any figures to indicate how many additional taxpayers will be reached by reducing the exemption for married couples from $1,200 to $900?

Hon. Mr. HUGESSEN: I am afraid I have not those figures, but I will try to get them for my honourable friend. What particular deduction does he refer to?

Hon. Mr. MURDOCK: The exemption now will be $900 for married persons.

Hon. Mr. HAIG: No, $1,200.

Hon. Mr. MURDOCK: I must have read the wrong section.

Hon. Mr. HUGESSEN: The deduction is $660 for an unmarried person, $1,200 for a married person.

Hon. Mr. DAVIES: For a single person or a couple?

Hon. Mr. HUGESSEN: Where the wife is in receipt of less than $660 a year the husband is allowed an exemption of $1,200. Where both of them have incomes of $660 or more, each pays income tax.

There is a further provision in relation to what are called unusual medical expenses. It will be remembered that last year a provision was introduced in the income tax legislation by which a taxpayer was allowed for tax purposes to deduct from his income certain unusual medical expenses in excess of 5 per cent of his gross income. It was provided that those expenses must have been incurred in Canada, and there was a further limitation as to the total amount which could be claimed, $400 for a single person, $600 for a married person, and $100 for each dependent of a married person.

This has been considerably expanded to the advantage of the taxpayer in four different ways. First of all, medical expenses incurred outside of Canada are now included. Secondly, the proportion of the total income of the taxpayer on which he can begin to make deductions for medical expenses has been changed from 5 per cent to 4 per cent. Thirdly, the maximum amount which he can claim for those deductions have been increased by 50 per cent. That is, an unmarried person can now claim up to $600 instead of $400; a married person, $900 instead of $600; and for each dependent child the allowance has been raised from $100 to $150. Fourthly, certain additional medical expenses are allowed, such as the cost of artificial limbs or braces and hearing aids.

There are also certain provisions for the benefit of employees. Under our present income tax law an employee who upon his retirement receives a gratuity by way of a lump sum has to treat it as income for the year in which it is received, which means of course that for that year he pays a very much higher income tax. Under this legislation the employee will be allowed to spread his gratuity over five years, so that he will pay income tax on only one-fifth of the gratuity for each of the five years.

At the present time employees are allowed to deduct $300 per annum for contributions which they may make to superannuation or pension funds established by their employers. This Bill contains an amendment extending that deduction to annual contributions made by employees to trade union superannuation funds.

The Bill provides one further slight relief to the individual taxpayer, to which I think honourable senators would like me to refer. It relates to a widow or widower having a dependent child or children and employing a full-time housekeeper or servant in his or her establishment. In such cases there is provision for an additional deduction of $108.

Those, honourable senators, are the principal provisions affecting the individual taxpayer.

Perhaps at this stage I might be allowed to refer for a moment to the very interesting remarks which the honourable senator from Winnipeg (Hon. Mr. Haig) made before we adjourned at 6 o'clock. His first suggestion was that we should increase the amount of the minimum exemption for single and married persons. That is a matter of Government policy, as to which I have no right to speak, but I think we shall all agree with him that if that could be done it would be most desirable. The only comment I would make is that our minimum exemptions of $660 for a single person and $1,200 for a married person are already higher than those allowed in the United States, and considerably higher than those allowed in Great Britain. My honourable friend will realize that what I am now saying is not by way of criticism of his suggestion, but I do want to point out that in our minimum allowances below which taxes are not payable we are more liberal than is either the United States or Great Britain.

Hon. Mr. DAVIES: My honourable friend was speaking rather low and I do not know whether he referred to the changes on page 4 in regard to medical expenses. That has to do with deduction of unusual medical expenses of 4 per cent instead of 5 per cent of the income.

Hon. Mr. HUGESSEN: I did explain that before the honourable senator came in. At present the taxpayer is not allowed to deduct unusual medical expenses which are less than 5 per cent of his gross income. In other words, if his gross income was $5,000 and his medical expenses were not more than $250, he could not make any deduction. Under the amendment he will be able to make a deduction if

his medical expenses are greater than 4 per cent of his gross income. That is, if his gross income is $5,000, he can deduct the amount of his medical expenses in excess of $200. That is a benefit to the taxpayer.

If honourable members will bear with me for a few minutes longer, it might be interesting to refer to changes in the taxes on corporations and businesses. For the most part these are alleviations in favour of the taxpayer. First of all, there is a provision for allowances in respect of scientific research made by a company or business. Deductions will be allowed for three classes of expenditures under this heading: amounts expended on scientific research related to the taxpayer's own business; any contribution which the taxpayer makes to a scientific research association approved by the Minister; or a payment by the taxpayer for scientific research to an approved university, college or institute. Any such expenditures of a current nature may be deducted from the gross income of the year in which they were made; but a large expenditure of a capital nature may be divided up into deductions spread over three years.

Another amendment applies to taxpayers who sustain losses. Cases of this kind were referred to this afternoon by my honourable friend from Winnipeg (Hon. Mr. Haig). Under the proposed amendments a loss sustained by a taxpayer in his business may for income tax purposes be spread over five years —that is, over the three preceding tax years and the next succeeding tax year, as well as the year in which the loss was incurred. The provision is a little complicated, but what it amounts to is briefly this, that corporations and businesses will be able to average the years in which they make profits with the years in which they make losses, over a period of five years, and they will pay income tax only on the net amount by which the profits exceed the losses in that period.

It may be recalled that last year a provision was inserted in the Act allowing farmers to deduct losses for a three-year period. That provision has now been replaced by this new one under which not only farmers but people in all classes of business will be able to average their losses and profits over a period of five years.

Hon. Mr. PATERSON: What about the three preceding years on which taxes have been paid? Will the taxpayer be allowed to go back over his returns for those years and claim credits?

Hon. Mr. HUGESSEN: Of course, the assessments will have to be reopened.

Then there are some amendments intended to encourage capital expenditures during the period of reconstruction after the war. There is a provision that the Governor in Council may fix a period during which industries making new investments in plant or equipment may claim depreciation thereon at double the normal rates.

From a practical point of view and with regard to encouragement of capital expenditures in the reconstruction period, perhaps the most important amendment is the provision with respect to what is called deferred maintenance and repairs. Normally the cost of maintenance and repairs is chargeable as an expense in the year in which it is incurred, and reduces the taxable income of that year accordingly. Of course, during the war years large expenditures which ordinarily would have been made on maintenance and repairs have had to be deferred because of lack of labour and materials, and in consequence companies and businesses have not been able to make normal deductions for these items in the very years when the income tax has been at its peak. It is thought that the expenditure of large amounts on maintenance and repairs during the reconstruction period will create employment for many men discharged from the armed forces and munition industries. The amendment designed to achieve that object provides that during a time to be fixed by order in council one-half the expenditures made by a business for maintenance and repairs shall be regarded as deferred maintenance and may at the option of the taxpayer be charged back as an expense for the year 1943 or a subsequent year. Let me give an illustration to show how that would work. Suppose in the year 1946 a company decided to have extensive maintenance and repair work done, at a cost of $1,000,000. The company would be allowed to charge one-half of that—that is, $500,000—back to the year 1943 or 1944, and get the income tax credit which it would have received if the expenditure had actually been made in either of those years.

There are various other provisions, some of them of minor purport, relating to corporations. I should perhaps refer to the modification of the existing law with regard to charitable donations. This is the only instance, so far as I know, in which the taxpayer is deprived to any extent of a benefit that he previously had. Under the present law, as honourable senators know, corporations are allowed to deduct from their income for taxation purposes amounts paid to charitable organizations during the year, up to 5 per cent of the taxable income. This

benefit is now limited to the average of the charitable donations which the company made in the two years prior to the 1st of July, 1942.

Hon. Mr. HAIG: Pardon me. That does not affect individuals?

Hon. Mr. HUGESSEN: No; this has to do with corporations only. The limit applicable to individuals is 10 per cent of income, and that is not changed.

One further provision in regard to corporations may be of interest. It provides that limited dividend housing companies will be entirely exempted from income tax. The object is to benefit investors in companies whose chief purpose is to build low-cost houses rather than to produce profits to shareholders, the maximum dividend rate being fixed at three or four per cent.

Hon. Mr. LAMBERT: What is the limit of the cost of the houses?

Hon. Mr. HUGESSEN: This applies to low-rental housing projects under the Housing Act of 1938.

Hon. Mr. LAMBERT: Is it $6,000?

Hon. Mr. HUGESSEN: Yes.

Hon. Mr. PATERSON: The companies must not make more than 6 per cent on their investment?

Hon. Mr. HUGESSEN: I speak subject to correction, but I think the permissible divident is less than 6 per cent. I believe that on Montreal projects the dividend was limited to 3 per cent.

There are a few administrative provisions to which I think I should direct the attention of the House, as these affect all taxpayers, both persons and corporations. These too are in the nature of alleviations. First of all, the interest on overdue tax payments is reduced from 5 per cent to 4 per cent during the period before the notice of assessment is mailed to the taxpayer, and from 8 to 7 per cent for the period after the notice is mailed.

A second amendment limits the time in which the Minister may reopen an assessment. Under section 55 of the present Act, he may reopen an assessment at any time after the tax has been paid. That is to say, he may reopen an assessment twenty or twenty-five years after the tax has been paid and impose an additional tax. Section 15 of the Bill limits the period in which an assessment may be reopened to six years after the original assessment, except in cases where there has been fraud or misrepresentation. In cases of that kind, of course, there is no limit to the time in which the Minister may act.

Then there is a provision extending the period within which members of the armed forces who are serving overseas may appeal from an assessment made upon their income. In their case the time limit is extended from the usual term of one month to any time within one year after they cease to be on the strength of their respective units.

As I say, there are a number of other comparatively minor modifications. I have tried to touch on the principal provisions.

If any honourable member has a question to ask, I shall do my best to answer it.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

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

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

EXCESS PROFITS TAX BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 182, an Act to amend the Excess Profits Tax Act, 1940.

Hon. A. K. HUGESSEN: Honourable senators, this is a comparatively minor Bill, and I do not think it need hold the attention of the House very long. Several of its provisions are similar in substance to the provisions which I explained a few minutes ago in regard to the Income War Tax Bill. There are eleven resolutions, none of them of particular importance, but if honourable senators wish to ask any questions I shall be glad to do my best to answer them.

Hon. Mr. PATERSON: Will the honourable gentleman explain clause 2, in regard to capital increase through profits being left in the business? This is of vital importance at the present time.

Hon. Mr. HUGESSEN: Yes. As I understand, it is a provision that where profits have been left in the business, then for excess profits tax purposes the taxpayer is allowed 5 per cent on those profits.

Hon. Mr. PATERSON: If the excess profits are allowed to accumulate the taxpayer is allowed 5 per cent profit on the accumulated capital?

Hon. Mr. HUGESSEN: Yes.

Hon. Mr. DAVIES: Just exactly what is meant by leaving the profits in the business?

Hon. Mr. HUGESSEN: If, for instance, instead of being used to pay dividends they are applied to reserves or something like that.

Hon. Mr. DAVIES: Or for a building?

Hon. Mr. HUGESSEN: Yes, profits left in the business in any way.

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: 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.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the House adjourns this evening it do stand adjourned until 11 o'clock to-morrow morning.

I would remind honourable members that the Banking and Commerce Committee will meet immediately after we adjourn.

The motion was agreed to.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

Friday, August 11, 1944.

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

NATIONAL HOUSING BILL

FIRST READING

A message was received from the House of Commons with Bill 183, an Act to promote the construction of new houses, the repair and modernization of existing houses, the improvement of housing and living conditions, and the expansion of employment in the post-war period.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. PATERSON.

Hon. Mr. KING: With the consent of the Senate, now.

The Hon. the SPEAKER: Is it your pleasure, honourable senators, to adopt the motion?

Hon. J. H. KING: Honourable senators, no doubt the principle of this Bill, which is one of great importance, has received consideration by honourable members of the Senate. The subject of housing is not new. After the last war the Government of that day granted certain moneys from the federal treasury to the various provincial governments, to be expended on a pro rata basis on housing projects. The provincial governments, under their own rules and regulations, allotted the money to various municipalities and these projects were carried through under that arrangement. There was no further housing legislation, I believe, until 1935 or 1936, when a Bill was passed permitting the Government to guarantee certain advances made by lending agencies throughout Canada for construction purposes. The success of that legislatior is well known to honourable members. A further Bill was passed in 1937 under which loans could be made in rural areas and remote sections of the country. Then in 1938 we had still another Bill.

The Bill now before us is in line with much of the legislation that we have been considering for the past few weeks, and is for the purpose of meeting conditions which we believe will follow after the war. Past experience has taught us that if some such preparation is not made, upon the cessation of war activities there is likely to be a slump, followed very quickly by a depression. The Government's programme is an attempt to anticipate and prevent such a condition. The action of the Government in this respect is along the line of that taken by governments of the other United Nations, who to-day are making preparations for the time when peace is declared. This Bill is also in line with other measures passed by this Parliament, and I am sure it will meet with the approval of the Senate.

The Bill is divided into six parts. Part I, which provides for the construction of houses by prospective home-owners, is similar in some features to the National Housing Act of 1938. The portion of the loan to be advanced by the Government is 25 per cent of the total. The rate of interest payable on this will be around 3 per cent. The advance made by a lending company will bear interest at 5 per cent, but the rate charged the individual borrower will not exceed 4½ per cent. Under this part of the Bill it is proposed to advance $100,000,000 by way of loan.

Part II of the Bill deals with the construction of houses for rental purposes and covers projects of a kind with which we are familiar, by means of which a group of individuals may undertake to put up 10 per cent of the capital, the Government putting up the remaining 90 per cent. The group agrees to construct the houses, manage them, collect the rents, and carry the properties over a given period of time. Loans made under this authority bear interest at 3 per cent, and continue for a period of thirty or forty years. If the property is wound up the money is repaid to the Government by the loaning group. The property may then be disposed of to the municipality, or other arrangements may be made in regard to it. It is proposed that the houses built for rental purposes shall be of a character and type that will rent at a low figure, thus providing better housing for people who are not in a position to undertake the construction of homes themselves, and $50,000,000 is set aside for this purpose.

Part III of the Bill covers rural housing. If there are mortgages already on the property, the loaning company will take over these mortgages and consolidate them into one debt. A total of $5,000,000 will be set aside for purposes referred to.

The provisions of Part IV apply to repairs, alterations, modernization and extension of existing homes. For these purposes a total of $100,000,000 is allotted. This is an important feature of the Bill. We know that for a number of years—I should say ten or fifteen years—not much has been done in the way of improvement and extension of existing homes throughout Canada. During the period of depression the individuals, in common with large operators, hesitated to venture into any unusual expenditure, and since the beginning of the war there has been a shortage of material and labour. I am sure there is a great field for development under this part of the Bill.

Part V of the Bill is also very important and interesting, having to do with housing research and community planning. It authorizes inquiry and research as to the best types of housing for this country, and the most satisfactory materials and their standardization. Studies may also be made of community planning. It is probable that considerable community planning will be undertaken, and of course such projects will be carried on in conjunction with provincial and municipal governments.

Part VI contains a number of general provisions. Heretofore life insurance companies have been more or less handicapped in the lending of money for building operations. It is provided in this measure that under proper conditions, as laid down within the enactment or in regulations to be drafted, insurance companies may make loans for housing purposes up to 5 per cent of their revenue. In Canada we have had very little experience along this line, whereas in the United States and, I believe, in Great Britain, insurance companies have found housing loans a profitable field for large investments. It is well known that one of the big American companies has financed the development of extensive community areas, which have been well planned to provide modern housing accommodation on a rental basis. These community areas include not only houses, but apartments, stores, theatres, playgrounds, and so on. I have not seen any of these developments, but I am told that not only have they proved quite successful as an investment for the life insurance companies but have been of great benefit to the community residents.

In drafting this legislation the Government did not depend solely on its own experience. Under the chairmanship of Dr. Curtis, a committee of experts outside the Government service—architects, engineers, and others—made a study, and in co-operation with the Director of Housing and the Department of Finance presented a report to the Government. That report is of great interest, and I have no doubt many honourable members have familiarized themselves with it. It is estimated that the number of housing units required in the first year after the war will be from 50,000 to 100,000; and in the first ten years, 700,000. The committee strongly recommended that co-operative efforts should be encouraged between municipal, provincial and federal authorities. That co-operation will be particularly helpful in undertaking slum clearance and town planning.

It is not proposed under this legislation to hand over money to provinces or municipalities to be expended by them on housing schemes, as was done following the last war. Experience has shown that the placing of these matters under federal authority encourages a closer co-operation on the part of loaning companies than can be achieved by leaving such matters in the hands of municipal or provincial authorities.

I might say that under former housing schemes our losses have been comparatively light. Under the Act of 1938 there was a loss of only $1,100 on total loans of $100,000,000; and under the Act of 1937 the loss was about $900 on an expenditure of approximately $75,000,000. These results are very encouraging,

and although this Bill does not make provision for the amount recommended by the Curtis Committee, it does for the next two or three years make available sufficient funds for the purpose in view. If further grants should be found necessary, no doubt another Parliament will make them available.

I have much pleasure in commending this Bill to the favourable consideration of the Senate.

Hon. C. C. BALLANTYNE: Honourable senators, this is not only most necessary but also most commendable legislation, and I fail to see how anyone can regard it with disfavour. We all know that from one end of Canada to the other, and more especially in our large cities, there is a dire necessity for more housing accommodation. Speaking of my own city of Montreal, I regret to say that housing conditions are really deplorable, and a comprehensive plan to meet such conditions is very timely indeed.

But I am more particularly interested in what is going to be accomplished by community housing schemes. To-day people are looking for more comforts than they did in days gone by, and when these community houses are built I trust they will be built on a large scale and will be up-to-date in every way in regard to sanitation, lighting and central heating.

I notice it is proposed to build certain very low-cost houses. The need for housing accommodation is so urgent, of course, that such houses will have to be built; but unfortunately they will have to be heated by coal stoves. Owing to the war our coal to-day is of very poor quality, and families are liable to suffocation from gas fumes. I have read in our Montreal newspapers that many times the Montreal Light, Heat and Power Company have had to send out their emergency squads to resuscitate people who have been overcome by coal gas.

I am sorry that the houses to be built under the scheme, whereby private enterprise will contribute 10 per cent, will not be centrally heated. Those living in the upper storey, or even those downstairs will have to carry up their coal. And the rooms will be small. Everyone who is able to work is actively engaged in war industries, and in all probability the father and mother will be absent from the home. I am apprehensive of what might happen to the children during the absence of the parents if the ventilation of these stoves should become defective and thereby cause the dissemination of gas fumes. I suppose we cannot expect too much to start with, and I think it was a generous gesture on the part of large industry to express a willingness to contribute 10 per cent of the cost.

Hon. Mr. KING: And 10 per cent of the cost of management, which is very important.

Hon. Mr. BALLANTYNE: Also, what is more important still, as my honourable friend has pointed out, they are going to manage these houses. I have seen the list of the people chosen in my own city to manage these proposed houses, and I know the work will be well and efficiently done. I congratulate the Government on being able to prevail upon private industry and private citizens not only to contribute money but to give their personal services in order that these houses may be properly constructed and properly managed.

On the whole, I heartily approve of the legislation, and there is no necessity for me to take up any further time of honourable members. I do hope that work will be started immediately, because the need of housing accommodation is most urgent.

Hon. Mr. DAVIES: Honourable senators, I understand that certain houses in Winnipeg are heated from a communal or central heating system. I wonder whether the honourable senator from that city (Hon. Mr. Haig) could tell us if it is successful in operation.

Hon. Mr. KING: He certainly can.

Hon. JOHN T. HAIG: Honourable senators, I was connected with a building company which in the course of ten years expended $5,000,000 on the erection of houses, and therefore I know something about the business. After the last war the city of Winnipeg undertook to finance the building of houses. The scheme was well worked out and it has been a great success. The rates of interest on the building loans were reasonable for those days, and when the project was completed it showed a profit of about $75,000.

I agree entirely with what the honourable leaders on this and the other side have said in favour of this Bill. But in the plan one thing is lacking. This may apply only to Winnipeg, Regina, Saskatoon, Calgary, Edmonton and other western cities, where we have no large body of men or women who can afford the capital necessary for a communal scheme. We have a few people with sufficient means, but very few. In the West there is a demand that the municipalities, especially the large cities, be allowed to take advantage of this scheme, but the difficulty is that the small wage earner, whether in shop, factory or warehouse does not have sufficient money to pay a reasonable rent, and therefore the scheme does not help him one single bit.

Hon. Mr. KING: I beg to differ; it does.

Hon. Mr. HAIG: It does if you have a situation like that in Montreal.

Hon. Mr. KING: The Bill provides for low-rent houses, so that a man, over a period of twenty or twenty-five years, buys his home on a low rental basis.

Hon. Mr. HAIG: On the prairies houses must be built to withstand the cold winter weather, and they cannot be built at a low enough price to be sold on a rental basis. Take a man earning $100 a month, and you will find that, figure any way you like, he cannot in Winnipeg buy a house on a low-rental basis.

Hon. Mr. KING: Low-rental houses are available.

Hon. Mr. HAIG: But they are small houses, or the accommodation may consist of three rooms in the attic or four rooms on the second floor. I know of as many as half a dozen families living in one house in my city. A survey made in Winnipeg a few months ago disclosed that the hospitalization and other expenses that the city or the province had to pay came from just one area, about one-sixth of the whole city, and yet that is the area where there are no low-priced houses.

Hon. Mr. LACASSE: I understood the honourable senator to say that he had been interested in a $5,000,000 housing scheme more or less like the one proposed under this Bill.

Hon. Mr. HAIG: No, no. We were building houses to sell at from $3,000 to $25,000 each. We were in the speculative building business.

Hon. Mr. LACASSE: Are the conditions the honourable gentleman is now describing the result of that undertaking?

Hon. Mr. HAIG: Oh, no, no. Do not misunderstand me. I am not objecting to this scheme for one minute; I think in many respects it is excellent; but it does not touch the lower stratum of workmen in our country whose wages are under $125 a month. The only way in which those people can be helped is by the municipality undertaking to put the scheme into operation. That is all there is to it.

Hon. Mr. KING: Oh, no.

Hon. Mr. HAIG: There is no other basis on which it can be worked out. My honourable friend opposite objects to what I am saying, but I am stating facts. Anyone who has resided in Winnipeg, Regina, Saskatoon or any other of our western cities knows that we must have proper housing accommodation to withstand our long cold winters. As I have said, I am not opposed to the Bill; on the contrary, I am all for it, but if I had had anything to do with drafting it I would have covered this point. There is a demand by the citizens generally, not by an isolated group, such as the C.C.F., that a certain amount of this money should be placed at the disposal of Winnipeg or any other city—under regulations if you like—so that the municipal authorities could build houses and make them available for persons in the low-earning group. I believe that is the only possible way in which that situation can be met.

Now, let me answer my honourable friend from Kingston (Hon. Mr. Davies). Winnipeg is the best city on the continent of North America for central heating. We have a long winter with a steady cold temperature. There being no rock substratum it is easy to put in a central heating plant. About thirty years ago, to the credit of the legal profession, the young lawyers of Winnipeg invited the chief engineer of the City of Chicago, which was the first city in North America to install central heating, to come to Winnipeg to examine and report on the feasibility of building a central heating system there. He made a thorough investigation and concluded his report in these words: 'This city affords the finest opportunity for a central heating system of any place that I have ever heard of." True, conditions would be just as favourable in Regina or Saskatoon, but those cities are too small to support a central heating plant. In our province we have to heat our houses from the 15th of September to the 1st of June. There are two privately-owned central heating systems in Winnipeg, one on the north side and the other on the south side of the Assiniboine river. Many of the houses now built in that area enjoy central heating. The cost of the installation, if the work is done in the first place, is no more than the cost of putting in coal-heating equipment. As far as fuel is concerned, there is no shortage, because the coal for the central heating plant is brought in on railway cars and is dumped, with very little labour, into the bins. After that it is handled mechanically until it gets to the furnaces.

Hon. Mr. PATERSON: What kind of coal is used?

Hon. Mr. HAIG: Souris coal.

Hon. Mr. DAVIES: Is the system proving satisfactory to the people in their homes?

Hon. Mr. HAIG: It is delightful. If you had it in your home, as I have it in mine, you would be chased out of the house if you suggested removing it.

Hon. Mr. HUGESSEN: How does the per house cost of central heating compare with the per house cost of other systems of heating?

Hon. Mr. HAIG: Here is the point. You will pardon me if I refer to my own case. My house had been steam-heated, and when we put in central heating it was only necessary to put in the pipes, at a cost of about $70, and connect them with the mains. Central heating has one great advantage—there is no dirt from it at all. As to cost, if you take into account the money you have to pay someone to tend your furnace—as I have had to do except for the time when my own boy did it—the cost of heating by coal is more than the cost of central heating. Three new houses right across the street from where I live have central heating, and it will cost no more to heat them that way than to heat them by coal.

The city of Winnipeg owns a plant which is used for heating in the downtown district. That plant makes use of surplus electrical energy. There is no surplus now, so my friend's coal from Souris is being used. But even with the charge for electrical current, the plant came out level, and it has given great service. As I say, Winnipeg is an ideal situation for central heating. The city is flat, and you have to go down 52 feet before you strike rock. Consequently it is easy to put in a plant.

Hon. Mr. LACASSE: Is it a steam system?

Hon. Mr. HAIG: Steam or hot water. The furnace is put in and the steam is brought to you. Hot air furnaces are not put in any more. Steam is cheaper. When hot water is used the water has to be brought from outside, and there is no way of valuing it or measuring the temperature.

Hon. Mr. LAMBERT: There is evaporation.

Hon. Mr. HAIG: It cools off, and people who use hot water say it costs more money. But that will not apply to the new houses.

Hon. Mr. LAMBERT: I have been following my honourable friend's remarks very closely. As he knows, for twelve years I was a resident of Winnipeg. I think the honourable gentleman should make it clear whether he would regard the experience of Winnipeg in the matter of central heating as a fair criterion by which to judge the value of central heating systems elsewhere.

Hon. Mr. HAIG: I think my remarks have already indicated that the plant, to be economical, must be easy to install. It takes a considerable period to cover the overhead cost of the plant.

Hon. Mr. PATERSON: Are the mains laid in the lanes or under the roads?

Hon. Mr. HAIG: Some of them are in the lanes, but usually they come down underneath the boulevards. They only cross the pavement at intersecting streets.

Replying to the honourable senator from Ottawa (Hon. Mr. Lambert) it is my opinion that the cost of construction in Ottawa would be too heavy. Furthermore, there is not as long a period of consistently cold weather here as there is in Winnipeg. The system loses money in September and October, and probably in November, and again in April and May. At these times it is economical to the householder, which means that during the other months the cost is more than that of coal.

Hon. Mr. LACASSE: How does the thermostatic control system work with central heating? In other words, can you regulate the amount of heat you are to get?

Hon. Mr. HAIG: The thermostatic control system is absolutely perfect.

Hon. Mr. LACASSE: Is the thermostat at the central plant?

Hon. Mr. HAIG: No. It is right in the house. For instance—if I may again refer to my own house—the thermostat is in the dining room, the room that is least used. When I leave in the morning I set the thermostat at 65, where it remains until I return; then it is set at 70, and remains there until 10 or 10.30, when it is cut down again. Of course, if there are children in the house and they are remaining in their rooms for a large part of the day, the cost will be greater.

This system would not be economical in lower-priced houses; the cost of installation would be too great. Furthermore, it could not be made applicable to individual houses but would have to extend over a large area where the people wanted it. In Winnipeg centralized heating is on the increase; practically all the new houses have it.

Hon. Mr. HOWARD: What is the basis of the charges?

Hon. Mr. HAIG: They charge you on the basis of the water that has been used as shown by the meter. The charge is a reasonable one. Up until about a year ago the company did not make any money. Now it is about breaking even. As soon as there are sufficient users there will be a profit. However,

as I say I would not recommend centralized heating for general housing schemes. I believe an attempt has been made to apply it to low-rent houses in Montreal. In our city we cannot do that.

I prophesy that within a year or two this Government, or another, will be back asking for an amendment to the Bill. If we can get the people out of crowded rooms and crowded houses in the city of Winnipeg we shall save money on hospitalization costs. I think the same would be true of every city in Canada, because it is not healthy to have four or five or six families crowed into one house, particularly when the climate is such that the doors and windows have to be kept closed for five or six months of the year.

What I have said it not a criticism, but rather a suggestion that next session, maybe, something like what I have outlined will be asked for.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: Do my honourable friends opposite want this Bill sent to Committee?

Hon. Mr. BALLANTYNE: Unless the honourable the Leader of the House is very anxious to send it there, I would not be inclined to do so.

Hon. Mr. KING: The Bill has been considered very carefully, and if my honourable friends opposite agree, I think we could give it third reading now, and I would so move.

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

INDUSTRIAL DEVELOPMENT BANK BILL

FIRST READING

A message was received from the House of Commons with Bill 7, an Act to incorporate the Industrial Development Bank.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. KING: I would move second reading now.

The Hon. the SPEAKER: It is your pleasure, honourable senators, to adopt the motion?

Hon. J. H. KING: Honourable senators, this Bill is a new departure in Canadian legislation. As will have been noted, the amendments to the Bank Act which was discussed in Committee last night, indicate—as do the Bills relating to export credits, farm loans and fishermen's loans—that there is a desire to make capital more easily available to those who may have need of it. The Industrial Development Bank is thought by the Government to be necessary to meet a demand that to-day is not taken care of by our financial institutions.

Hon. Mr. DAVIES: Are we not supposed to have the Bill before us?

Hon. Mr. KING: It will be before us in Committee. I have asked second reading now to advance the Bill. I will send a copy of it to my honourable friend.

Hon. Mr. DAVIES: All right.

Hon. Mr. KING: It is well known that our chartered banks are dependent for funds upon not only the money subscribed by their shareholders, but also upon deposits, which may be withdrawn by the depositors at any time. Our Bank Act contains provisions designed to ensure that funds on deposit in chartered banks shall be at all times liquid and available for withdrawal.

The field that is proposed to be covered by the Industrial Development Bank has not been served by the ordinary banking institutions. Of course, companies whose projects are of a magnitude and character to appeal to the general public may obtain funds through the sale of securities on the market. Certain financial institutions will underwrite loans required for the development of industries requiring a few hundred thousand dollars or a million or two; but it is difficult to obtain relatively small sums in this way, since it is not considered profitable to underwrite the small type of loan.

Hon. Mr. BALLANTYNE: I disagree with my honourable friend there.

Hon. Mr. KING: That is the story I hear from banking circles.

I was impressed by the evidence given before a committee in another place by the Governor of the Bank of Canada. He indicated that for people desiring to obtain capital to establish small industries there should be a medium which ordinary financial sources to-day do not provide. It was suggested by some

people that portions of loans for such purposes should be underwritten by the Government with existing financial institutions, as is done under the Housing Act and other measures. The Government has not thought that wise, but instead has taken steps to form within the Bank of Canada a corporation to be known as the Industrial Development Bank, which will be a subsidiary of the Bank of Canada. The Government will not furnish any money to the corporation, but the Bank of Canada will advance some $10,000,000, to be paid at the time the Act goes into effect. In addition the Industrial Development Bank will be empowered to borrow up to three times the amount of its paid up capital stock and reserve stock, through the issue of bonds and debentures to the public. This would provide in all $100,000,000.

Hon. Mr. BALLANTYNE: The loans are to be guaranteed by whom?

Hon. Mr. KING: By the Bank of Canada.

In advocacy of this measure I am in a rather fortunate position. In 1918-19 I happened to be a member of the Government of British Columbia, which had an experience that I think might very well be mentioned to this House. Many men were then returning from overseas to the province, especially to centres such as Vancouver, Westminster and Victoria, and no provision had been made to assist them to secure loans for the purpose of starting up businesses. In an endeavour to obtain such assistance great pressure was brought to bear by the veterans, individually and in groups; in fact they came in such large groups that we had to receive them at the door of the Legislative building. The Provincial Government of that day decided to bring in a Bill, entitled an Act to establish a Department of Industries, and this was assented to on the 29th of March, 1919. At that time the province of British Columbia had had no experience whatever in the making of loans to industries. The Act created a Department of Industries, which was authorized to aid by loan, guarantee or guarantee of securities, any enterprise calculated to further the economic welfare of the province, and to consider and deal with plans submitted by representative bodies of returned soldiers of British Columbia for promoting and providing employment through establishment of new industries.

I have before me a report sent to me by the Deputy Minister of Trade and Industry in British Columbia, in answer to an inquiry I made as to the results of that Act.

Loans amounting to a considerable total were made to 108 companies manufacturing various types of products, including cordage, furniture, ladies' and children's wear, cast-iron pipe, rubber roofing, building paper, box-board, woollen goods, brick and tile, machinery, electrical fixtures, concrete blocks, and so on. Hundreds of applications were received from all types of industries, a large number of which were not in a position to comply with prescribed conditions. Of the industries financially assisted under that Act, many are to-day prosperous and thriving, employing thousands of men and women, and a credit to the industrial life of the province.

Unfortunately, because of inexperienced management, competition and the depression of 1930-1933, a considerable number of the firms that received assistance failed, and the Department of Industries was forced to assume a financial loss amounting in all to $530,000. It is generally felt, however, that the policy adopted by the Government in financially assisting and establishing new industries at that time was wise and sound, as it materially aided in the important work of rehabilitating thousands of veterans of the Great War of 1914-18; and that the financial loss was far overshadowed by the results attained.

In addition to financially assisting industry by way of loans, the Department guaranteed several bank loans, totalling $111,000. All these guaranteed loans have been repaid in full with the exception of two; and in those two cases the debtors are steadily reducing their liabilities to the bank and are in excellent condition. As I recall, the Government assisted returned soldiers to secure loans by guaranteeing the banks against losses.

I mention this case because I have personal knowledge of it. As I have said, the provincial Government had had no experience whatever in ventures of that kind, yet it succeeded in helping to get established a number of very useful industries that are thriving to-day and that during the war period have been of great value to the nation. I have in mind an engine works in Vancouver that has supplied many engines for ships built on the Pacific coast.

Loans under the Bill now before us will not be restricted to returned soldiers, the intention being to encourage the establishment of industries wherever feasible and thus extend employment opportunities throughout the country. This Bill will be launched under much more favourable conditions than was the Department of Industries Act in British Columbia. The Industrial Development Bank will be a corporation subsidiary to the Bank of Canada.

Hon. Mr. BALLANTYNE: Will there be any business men to pass on applications for loans?

Hon. Mr. KING: Oh, yes. Great care will be exercised in that respect.

Hon. Mr. BALLANTYNE: Will the loans be passed on entirely by bankers, or will there be some business men on the board?

Hon. Mr. KING: For my honourable friend's information, let me read what was said in another place by the Parliamentary Assistant to the Minister of Finance:

> As to the Bill itself, it is proposed that the Bank will be a subsidiary corporation of the Bank of Canada, having a board of fifteen directors composed of the members of the board of directors and the Assistant Deputy Governor of the Bank of Canada, with the Governor of the Bank of Canada as president.

That is, the board will be composed almost entirely of bankers.

Hon. Mr. BALLANTYNE: All bankers.

Hon. Mr. KING: Bankers or others associated with the Bank of Canada. This measure has been subjected to some criticism on the ground that the Industrial Development Bank will be administered by the Department of Finance. On the contrary, the Bank will be removed as far as possible from the Department, a feature which must commend itself to my honourable friend opposite who, I know, is rather opposed to a venture of this kind.

Hon. Mr. BALLANTYNE: Very much.

Hon. Mr. KING: Under this legislation $100,000,000 will be made available. I do not think it would be wise for me, a layman, to try to describe the terms on which loans may be made. Various provisions in the Bill indicate that strict regulations will be laid down for the exercise of care and judgment by those entrusted with the funds made available under the measure—funds to be advanced, not by the Department of Finance or out of taxes, but by the Bank of Canada and by purchasers of securities of the Industrial Development Bank. I think it will be advisable to refer this Bill to the Committee on Banking and Commerce, where an officer of the Bank of Canada can explain the Bill in greater detail.

I move the second reading.

Hon. C. C. BALLANTYNE: Honourable senators, may I state at the outset of my remarks that I am not a director nor a shareholder in any chartered bank or loan company operating in Canada.

I am against this Bill because I see no reason in the world why the Government should introduce it, other than in an effort to outdo certain extreme radical elements. Last night we passed the Bank Bill for the renewal of the charters of our commercial banks. I need not refer again to their splendid record of service to Canadian trade and industry.

Hon. Mr. SINCLAIR: The Bill was passed through our standing committee last night.

Hon. Mr. BALLANTYNE: Then I was under a misapprehension. Chartered banks are eager to do business; they want to make all the loans they can that they consider safe and sound. What disturbs me about this Bill is that when it was introduced in another place two reasons were given for it: first, to aid small industry; and, second, to make loans on undertakings that the chartered banks would not consider good risks. The capital of the proposed banks will be provided by our taxpayers, and I certainly do not think that this or any other Government is justified in taking unnecessary chances by loaning the money of our taxpayers on extra risky ventures.

What does the setting up of a bank like this mean? I shall refer later to the fact that it should not be called a bank at all. In addition to providing headquarters it is proposed to establish branches from one end of the country to the other, and to engage a large staff. If the Government wanted to aid returned soldiers and others why should it not have said to the chartered banks: "We will insert in the Bank Act a clause to give you greater loaning latitude and certain guarantees in order that you may look after customers of the class that this bank proposes to deal with." The chartered banks have all the necessary facilities and experience to investigate each and every loan and decide whether or not it should be accepted.

It is proposed that a board composed of bankers shall decide how much of the taxpayers' money they will loan here, there and everywhere. When the leader on the other side was speaking I asked him if there would be any business man on that board.

Hon. Mr. KING: I did not say no. The board will be composed largely of bankers, but no doubt they will have business men as consultants.

Hon. Mr. BALLANTYNE: I do not see how they can do that. The chartered banks usually have on their boards of directors fifteen or twenty men representing our large manufacturing industries and financial institutions, and when the question of loans comes before the board the advice of these experienced men is of inestimable value to the general manager. According to what my honourable friend has just stated, none of those who will pass on the loans will have had any business training at all.

Hon. Mr. KING: I think that is hardly a fair statement.

Hon. Mr. BALLANTYNE: How could it be possible for them to have any business training? If I enter a bank as a young man, I am a banker, I am trained in finance. True, I glean a certain amount of information about business, but I certainly could not be considered a business man. That is why the chartered banks have on their directorates so many experienced men.

Hon. Mr. KING: But your experience as a business men and as a banker would require you to consult with those persons who should know and be able to advise you. You form your judgment after consultation.

Hon. Mr. BALLANTYNE: From what I know of the persons who are going to manage this bank, I do not think there is very much hope that they will consult any outside authorities.

I have followed the debates in another place, and I can find no indication of what security the bank would want on a loan of $50,000 or $100,000. Would they want 10 per cent, 25 per cent or 50 per cent security? There is no indication as to that at all.

We have been told that this bank is necessary to encourage small business. The day of small-business enterprise is past, just like the horse-and-buggy days. We are now in the automobile age.

Hon. Mr. KING: No.

Hon. Mr. BALLANTYNE: Industry is now conducted on a very large scale. I know there are a few small industries, such as sawmills, but the industrial field is thoroughly covered by large, highly specialized firms, which do a large volume of business and have well organized research departments, laboratories, and so on. The small manufacturer has not a chance in the world of competing with those large firms. Therefore I would consider it very unwise for a man to set up a small industry in a field already covered by a large one. I do not see how he could compete. Naturally, he will say to himself: "Well, after all, this is not my money; I am not risking my capital in this business at all. I am not able to get a foothold in the market, and therefore I will cut the price." Furthermore, he may say to himself: "I have a very long term credit of ten years or twenty years." No, honourable senators, so far as small industries are concerned, you must not let that suggestion bulk very largely in forming your opinion of this measure.

My honourable friend talks about helping our returned soldiers. Surely we must do everything we possibly can for them. But we would not expect a returned soldier to start up in business unless he had some experience. To come back to what I was saying at the outset of my remarks, the chartered banks could have taken care of all that my honourable friend has outlined, and if they were allowed to do so there would be no necessity at all to create this bank.

It has been stated over and over again in another place that this industrial bank will not interfere with the chartered banks. "Oh, no," we are told, "it won't interfere with them at all." Now, as I said yesterday, I am not an experienced banker, although I have had a certain amount of experience. If I may repeat myself, I was ten years on the directorate and also the executive committee of one of our largest banks, and I have a considerable knowledge of how loans are made and the risks that are taken. All the chartered banks take risks and sustain losses. True, they are careful enough to see that their losses are not too great, otherwise they would become insolvent. But if honourable members could see the losses of our chartered banks over a term of years they would be rather surprised. The young sponsors of this Bill tried to impress on a committee elsewhere that the bankers are something like Shylocks, sitting in their gilded palaces, trying to get all they possibly can out of the people, and not willing to take reasonable risks. That is not so. If you will permit me, I should like to put before you a statement as to how this industrial bank would interfere with the chartered banks in Canada. I may be right, I may be wrong, but I do not think I am wrong. With the permission of the Chamber, I shall read this statement:

> I feel that strong objection should be made to the use of the word "bank" in the name of this institution. It is not a bank in the ordinary sense. It is a credit corporation, and some such name as Industrial Development Credit Corporation would better denote its character, which is reported to be that of a lending vehicle for certain types of medium term credits, or for supplying semi-permanent capital, which is not the function of commercial banking.
>
> The bank will commence with a subscribed capital of $25,000,000, represented by 250,000 shares of $100 each. Its only shareholders will be the Bank of Canada, and it will be unimportant whether the bank does or does not earn a dividend. Furthermore, the Industrial Development Bank will have no taxes to pay and yet, short of taking deposits, it will have all the necessary powers to compete with the chartered banks, who are subjected to heavy taxes in every direction and whose working money to a very considerable extent is represented by savings deposits which cost 1½ per cent.
>
> Anyone who has had any experience at all in the banking business knows that a commercial bank not only must earn its dividend but must

set aside certain sums annually for the inevitable crop of losses. The Industrial Development Bank will have it within its power to put grave difficulties in the way of chartered banks making adequate earnings. Admittedly this power may not be exercised at once, but it will exist potentially, and under certain types of Government the temptation to go "all out" would be strong.

Section 15 of the Act says: "Subject to section 14 of this Act, in order to provide credit or other financial resources which would not otherwise be available, on reasonable terms and conditions, the bank may"—and so forth. Here we run straight up against a situation where someone in the Bank of Canada is going to decide what the words "reasonable terms and conditions" mean. Thus, if a commercial borrower comes to any chartered bank to seek credit, and the chartered bank is willing to grant such a credit on terms which in the circumstances seem proper to the bank, then the would-be borrower has it within his power to go to the Industrial Development Bank, state the terms which the chartered bank quoted, and the experts in the Bank of Canada can, if they see fit, rule that the chartered bank terms are unreasonable, and proceed to extend the credit on their own terms. In other words, the Industrial Development Bank may become the arbiter as to the terms on which the commercial banks may be able to lend money.

You will note that although the professed purpose of the bank is to provide interim credits, which are outside the usual scope of the commercial banks, the Industrial Development Bank is being authorized to make loans under section 88. As mostly everyone knows, section 88 is a useful regulation of the Bank Act to enable a manufacturer to borrow against goods in process of manufacture. It is difficult to see where section 88 fits into a picture of intermediate or long term credits. It looks like just another potential provision to enable the Industrial Development Bank to compete with the chartered banks.

The inference from Section 15 above referred to is that the Industrial Development Bank will extend credits which will not otherwise be available, that is, if a borrower's proposal is not acceptable to a chartered bank, or to an issue house. One can be sure that no chartered bank will let its clients go to the Industrial Development Bank unless and until it has exhausted every possible means to provide the credit in question. The situation will thus create the temptation to commercial bankers to extend credits for longer than sound judgment would ordinarily dictate.

With the permission of the House, I shall put the remainder of this statement on Hansard without reading it, as I find the heat rather overpowering.

(The remainder of the statement follows.)

It is quite conceivable that the Industrial Development Bank might run into the following type of situation. Let us assume that some contracting firm decided that they needed more capital in their business and after exhausting other devices they obtained some of the desired capital from the Industrial Development Bank. Indirectly the Government would then be in joint business with the contracting firm, and undue influence might easily be directed towards seeing that the firm in question made profits out of Government business wherewith to repay the Industrial Development Bank. The channels of special pleading and political influence would be wide open and the frailties of human nature would have their play.

While contracting companies have been mentioned there are many other types of business where similar situations could occur.

Finally, I may say that if this piece of lending machinery were called the "Industrial Credit Corporation" and were divested of its authority to lend under Section 88, I would have no particular objection to it, although I think very little business would be offered. In fact I think if you ask its sponsors to-day where they propose to find borrowers they would not be able to give you an answer. I suspect the whole programme has been drafted with a view to throwing something into the financial machinery which will prevent a hue and cry for measures more drastic.

Hon. L. M. GOUIN: Honourable senators, I do not intend to discuss the details of the new and very progressive legislation now before us. Our Committee on Banking and Commerce is the proper place in which to examine, if we so desire, the different sections of the Bill. My remarks will be as brief as possible, and general in character, and I shall limit myself to an analysis of the principle of the Bill, which is the basis of the plan we are now called upon to consider.

If we turn to the preamble of the Bill we shall see that its purpose is to ensure the availability of credit to industrial enterprises and to provide a source of credit which otherwise would not be available on reasonable terms and conditions. In other words, it is proposed to fill a very real gap which now exists, by setting up this Industrial Development Bank. Thus, the object of this legislation is simply to supplement the activities of other lenders, namely, the chartered banks—which were so ably defended by the honourable Leader opposite—the investment bankers and the insurance companies. The Industrial Development Bank will not take away from other banks and financial establishments any part of their business. It will not displace nor replace them. It will not cause them any harm, because it will not be a competitor of such establishments. Even the pamphlet which has been read to us indicates that to date the chartered banks have left unoccupied the field which it is now the intention to cover adequately for the general advantage and prosperity of this country.

The chartered banks, of course, make ordinary commercial loans, but by reason of the well-established practice of our bankers, what I would call ordinary banking loans are of necessity short term loans. The banks, in other words, are lending money for short-periods of time. The Industrial Development

Bank will meet a demand which is fundamentally different. Its function will be to provide permanent or semi-permanent capital to industry, particularly to small and medium-sized concerns and new undertakings which are not yet sufficiently established to be able to obtain loans from the chartered banks or other credit institutions.

I think every one of us in his own personal experience has realized again and again that there is a real need—I would even say an acute need—for capital loans to small industrialists all over Canada. It is all very well to say that small industry already exists in different regions. It is all very well to add that there is no necessity for improving our financial machinery. A reason, or many reasons, can always be given for coming to the conclusion that this is not the proper time to do anything to take us along the way of progress.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. GOUIN: I admit quite willingly that our banking system is excellent. I consider that it is one of the best in the world, and that we have every right to be proud of it. That system has successfully withstood the test of time and of the great crisis which occurred around 1930. Yes, it is a sound system and is remarkably strong and efficient, but up to date it has been characterized—and I am not criticizing it—by a desire for safety, a sense of prudence so perfect that it deserves the epithet "conservative" in the fullest sense of the term. From this desire for safety and a desire for liquidity of loans and securities, it follows that the chartered banks grant only commercial loans and do not provide—and it is not their function to do so—long term accommodation. On the other hand, it is well known that insurance companies have made it their policy not to make loans on industrial property. And finally the investment bankers, who will underwrite a bond issue or undertake to sell the securities of firms already well known because they have existed during a more or less prolonged period of time, will almost invariably turn down the applications of new or of purely local concerns. There may be a few exceptions to this rule, but I am speaking of the general practice which is a matter of public notoriety.

I might refer to an example given before the Committee on Banking and Commerce in another place, as it appears at pages 1594 and 1595 of No. 47 of the Minutes of Proceedings of that Committee. To repeat briefly the illustration used by Dr. Clark, let us imagine a small plant already in existence and manufacturing a good product on a limited scale. The market for this product is developing. This small concern—we may call it an infant industry—in order to progress and expand must have additional fixed capital. The owners of the plant are able to finance from season to season with their ordinary working capital, but cannot expand unless they secure additional permanent capital. I am convinced that at the present time such a concern cannot obtain, on reasonable terms, at all events, the fixed capital required to carry on the volume of business which may now be done. The purpose of the Industrial Development Bank is to cover precisely such cases by enabling small concerns of the type just mentioned to enlarge during the reconstruction period, to apply new and scientific processes, to experiment in the field of electronics, plastics and so forth. Our present system does not enable returned men or men demobilized from war industries to carry on industrial operations to the largest extent possible. The Industrial Development Bank, however, will perform this most useful function. It will fulfill a role of real national importance, a role of vital interest to all well-meaning and progressively-minded Canadians by contributing to the maintenance of a high level of national income, thereby making possible the social progress of our own people.

To the sacred cause of social progress and economic improvement I do not pay only lip service. I have devoted the greater part of my life to the study of labour problems. I belong by birth, of course, to the so-called "superior classes" but I do not call myself a capitalist. I have, so to speak—and I say it very sincerely—given my heart to our working classes, because they have suffered much.

Our most pressing need at this time is to raise the standard of living of the great popular masses of our people, to secure co-operation between capital and labour, to give equal opportunities to those engaged in industry and offer a fair chance to working men, to encourage small-scale plants and to multiply them from one end of the land to the other. This is the main purpose of the Bill before us.

With permission of the House, I would quite willingly move the adjournment of the debate.

Hon. Mr. KING: Can you not finish now?

Hon. Mr. GOUIN: My remarks will probably take ten minutes.

Hon. Mr. HOWARD: Make it five.

Hon. Mr. LAMBERT: I do not think this discussion should be cut off, and if it is the pleasure of my honourable friend to adjourn the debate, I should be very pleased to participate in it later.

Hon. Mr. GOUIN: I shall do whatever honourable senators desire.

Hon. Mr. HUGESSEN: Call it one o'clock.

Some Hon. SENATORS: One o'clock!

The Hon. the SPEAKER: It being one o'clock, I do now leave the Chair.

At one o'clock the Senate took recess.

The Senate resumed at 3 p.m.

Hon. Mr. GOUIN: Honourable senators, now let us come to some of the criticisms that have been made of the Industrial Development Bank Bill. In the name of prudence some persons—I am willing to concede that they are well-meaning—argue that this truly national plan of industrial development is so speculative in its nature that the taxpayers' money should not be expended upon it. I am, honourable senators, a prudent man, moderate in temperament. But I am not timorous; I do not suffer from an inferiority complex; and to persons who are afraid of this measure or, to repeat the words that were used in another place, who are shivering on the threshold of the better world that we are building for those who are now fighting overseas, or working in our war plants or in our fields in the sultry heat of this summer day, I say the best guarantee of the success of the new bank is the ability, the reliability and experience of its directors, who are also directors of the Bank of Canada. Personally I am quite willing to place my trust in the Governor of the Bank of Canada, a well-recognized "ace" in financial matters, and the staff whom he will appoint to assist him in administering and managing the Industrial Development Bank.

No one is justified in assuming or suspecting that the new bank will not be wisely and prudently managed in the interests of small industries. The measure will benefit all the provinces. I do not wonder whether one province or one class of people will be benefited more than another. In the Maritimes or in Western Canada, for instance, small businesses may require more assistance than similar firms in the highly industrialized provinces of Ontario and Quebec. The majority of Quebeckers, I am sure, consider as I do that it is the duty of every one of us to contribute to the expansion of industry in all parts of the country that have not reached the same stage of development as have our great industrial centres. The sooner the day comes that small and medium-sized plants are more widely distributed all over Canada, the better it will be for the welfare and contentment of our population. Up to the present time such industries have not had an adequate chance. That is a fact. I do not criticize the banks, nor do I intend to discuss the monopolistic tendencies that have practically killed small industries in my own province and done so much harm to the working classes in general. I only ask whether it is not clear that the creation and growth of small and medium-sized industries should be encouraged all over Canada.

The plan proposed under this measure will, by decentralizing industry, make our interests from coast to coast more nearly identical. It will help greatly, I am sure, to consolidate the different regions and elements in our Dominion. With all my heart I believe in such a policy of national consolidation, or integration, if you prefer that word. It is a policy urgently required at present in every sphere of activity.

This measure will also tend to bring about a more equitable distribution of wealth and contribute to the stability and general development of Canada; it will have a consolidating effect on the whole of our national structure.

I trust that the new bank will operate successfully and satisfactorily. Only if losses are suffered can the taxpayers be called upon to shoulder a burden, and I am confident that losses will not occur frequently; at the worst, losses will be kept within reasonable limits. As a senator from Quebec—still proud to pronounce the good old name of my native province, which some people try in vain to make the scapegoat of the Dominion—I wish to assure honourable members that if we are ever called upon to make payments in order to meet obligations of the new bank, the complaint will not be made by Quebeckers, whether English-speaking or French-speaking, that such payments are out of all proportion to the benefits received by us. Our sincere desire is simply to see that the new undertaking shall operate to the general advantage of the Canadian population at large. Our patriotism, thank God, is indeed broad enough to embrace the whole of the immense territory of this country, and our thoughts are generous enough to include the various regions of the Dominion, which are so different economically and otherwise. We must sincerely endeavour, while there is still time, to consolidate, to integrate and to unify this wonderful country of ours. I have always opposed isolationism and sectionalism. I have just come out of an election campaign in which, to the utmost limit of my capacity, I fought fanaticism. **The**

words that I spoke in Quebec I am willing to speak also in Ontario, the great province in which our national capital is situated.

Again I favour a policy of co-operation—yesterday of agricultural co-operation, to-day of industrial co-operation. I am confident that in speaking as I do now I speak in the name of my province, my dear province, which is again the object of so much abuse. Let me declare plainly to all whom it may concern that it is absolutely unfair to denounce the good, stable and courageous people of Quebec as being fanatical separatists. Everybody knows perfectly well, or should know, that our population is deeply Christian and law-abiding. It is conscientious, honest, hard-working and thrifty, and has always shown its sense of loyalty and stability, even in the most difficult and most provocative circumstances.

My last words on behalf of the race to which I am proud to belong shall be to assure you that we fully realize our obligation to contribute to the progress of our country; and we understand that this progress depends of course, first of all, upon victory against our common enemy. Quebec has proved its willingness to participate in the defence of our territory. Quebec is always willing to co-operate; but the same cannot be said of certain other people. We fully realize our duty towards our returned men, our munition workers and the like, and for the sake of every one of them we are anxious to contribute to the industrial expansion and economic decentralization of Canada in order to make all our Canadian people more prosperous, more contented, more united; and for this, as a first condition, we must ensure employment to the rising generation, the sons and daughters of our country. Because our Christian parents raised large families in good old Quebec, we do not believe that we appear before the world in a shameful role. We are proud of our large families, and because of this pride we fully recognize our responsibilities in providing for the welfare and prosperity of all Canadian children—not only those of our own province but also those of our sister provinces. In this way we acknowledge our willingness to contribute to the industrial development of all Canada.

Our policy is co-operation—co-operation upon an equal footing of democratic brotherhood, co-operation everywhere and all the time. We ask fair play for all classes and all provinces. Different races with different religious beliefs form our young but already promising Canadian nation. Powerful reactionary and disintegrating forces are now working together against our liberal ideas, against our national ideal of moderation and harmony, of justice and progress. The present Bill is a measure of justice to small industry. It will prove to our small industrialists and to our population at large that there is to be no discrimination in our Canada of to-morrow, no undue privilege in this better land of the future.

We are glad to have the opportunity to-day of offering in a practical way our contribution to the economic expansion which we are anxious to inaugurate with the coming era of blessed peace. We desire peace for the whole world; but charity begins at home, and we hope that appeals to prejudice will not continue to endanger our internal peace. Yes! We must win peace, not only externally but also internally. In spite of all provocations let us work together like good partners for peace, progress and harmony.

The legislation which it is now my privilege to support makes precisely for peace, harmony and progress, from the industrial as well as from the social standpoint. The Bill moreover is in complete accordance with my democratic ideal. It is not state socialism. On the contrary, it puts the financial resources of the state at the service of private enterprise, which deserves such assistance and cannot find it elsewhere. It will be a great pleasure for me to vote in favour of the Bill.

Hon. W. RUPERT DAVIES: Honourable senators, I am going to speak briefly on this Bill. I find myself very much in accord with the views expressed this morning by the honourable leader on the other side (Hon. Mr. Ballantyne). I have read a good deal about the purpose of this Bill, and have studied the evidence taken before the Standing Committee of the House of Commons on Banking and Commerce, to which the Bill was referred, but I must confess that I am quite unable to see any necessity for it. True, it is probably another step towards socialism, but I think already this session we have taken enough steps in that direction—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVIES: —and I do not feel inclined to take very many more.

Let us look at this Bill. Statements have been made about our banking system which seem to me to be quite incorrect. I am not a banker. I only know the banking business from the customers' side of the counter. The honourable senator who has just taken his seat (Hon. Mr. Gouin) said this morning that our chartered banks would not make long term loans. That is not so. They make loans for as long as five years at a time on proper security. No one should want a loan for a much longer period. I have known bank loans

to run six, seven and eight years, yet the chartered banks have made no great fuss so long as a real honest attempt was being made to gradually pay off the loans.

My feeling is that the proposed industrial bank will invade the business of the chartered banks, without there being any necessity whatsoever for such action. We are told that this bank is to lend money to those to whom credit is not available elsewhere. Well, if credit is not available at any branch bank, the manager of which knows everyone in the community and is in the best position to weigh the chances of success or failure of any industry to be started on a bank loan, why should credit be available anywhere else? It looks to me as if this industrial bank would be expected to make loans to people who are very doubtful risks. But evidently that is not what Mr. Graham Towers, the Governor of the Bank of Canada, intends. His view is that the Industrial Bank should loan money in exactly the same way as it is loaned by the chartered banks. He gave evidence before the Banking and Commerce Committee of the other House. At page 1644 of the Committee's Proceedings Mr. Towers was asked:

Q. In my next question, Mr. Towers, perhaps I had better include the Hon. Minister of Justice. In order to protect these industries will it be the policy to do so by tariff protection, to shut out imports that might compete and might even destroy an industry which had received public assistance?

To this Mr. Towers answered:

Well, as you say, perhaps that is a question which should not be answered by myself, but I would say that the lending institution would operate in exactly the same way as any other lending institution from that point of view.

So there is no difference of method there.

At page 1647 Mr. Towers was asked this question and made this answer:

Q. What I am now trying to bring out, perhaps in my novice way, is this. We are bringing in an Industrial Development Bank Bill here to provide money for industry in competition with money that is available, or credit that is available to the extent of 2 billion dollars in the chartered banks. That is correct?—A. No. Because if an industrial concern could obtain credit either from the banks or through the open market on reasonable terms, as the Bill indicates, it is not the intention that the Industrial Development Bank should fill those needs.

In other words, if the security is not good enough for a chartered bank then the Industrial Bank does not want to have anything to do with it. Mr. Towers was also asked whether the Industrial Bank would advance funds in connection with a certain fishing industry. He replied:

If the particular enterprises concerned had sufficient money of their own to put up, and if the particular proposition looked as if it was going to be successful and therefore was going to be a reasonable bank risk.

Well, is that not the exact basis on which the chartered banks work to-day? The chartered banks will lend money on any reasonable risk. Then why should we invade their field? I am not pleading the cause of the banks. I have never discussed this Bill with bankers, and do not know how they regard it; but I do know from dealing with banks that they are more than reasonable to their customers, and I am quite sure they would consider and help any legitimate proposition. Surely, then, we do not need to start a bank to help a lot of lame ducks—that is, to put money into projects which from the outset we are sure will not be successful.

As I have said before, I do not quite see why we should have a bank of this kind at all. If the chartered banks have one weakness it probably is that they have not enough small business men on their boards of directors. But be that as it may, they have local managers throughout the country, and those managers are always willing to listen to any reasonable proposition. I must confess that I have yet to hear of any bank turning down an application for a loan where the proposed industry had any chance of being a success.

This morning the Deputy Minister of Finance outlined to us a hypothetical case. I have a high regard for him. He is one of Queen's own who came up here to Ottawa and pretty well took charge. He has with him several professors from Queen's University who are doing things in a big way. While I have a very high regard for them, I do not think they have had much practical experience of small business. When this morning the honourable leader of the Government read out to us a partial list of the men who are to deal with the loans to be advanced by the proposed bank, I wondered just what they knew about bank loans. How would they decide that a loan which a chartered bank had turned down after very careful consideration was one which should be granted and in which money of the taxpayers of Canada would not be sacrificed. On page 1655 Mr. Towers said:

There are two things: one seems to be the implication that this institution would lend long term money to uneconomic industry.

Dr. Clark stated in that hypothetical case, that money would be loaned to small industries that are starting up and cannot borrow from any other source. Mr. Towers says, though, that long term loans will not be made to uneconomic industry. This is how he puts it:

I have tried to suggest again and again that it should not do so, will not do so unless it is mismanaged. It will loan money to enterprises where already capital is invested or where capital from private sources is being provided.

So will any chartered bank; it will be glad to get the business.

The banks' loans will supplement that private capital to the extent that the lending institution thinks it can safely do so.

A member of the Committee said:

That is not provided in the Act.

to which Mr. Towers replied:

That depends on the management. The management should not give money away; in other words, it should not take foolish risks; and if the management is capable it will not do so.

Hon. Mr. KING: That is right.

Hon. Mr. DAVIES: What kind of risk is it going to take? The chartered banks would lend money on any good sound economic risk.

Some Hon. SENATORS: No.

Hon. Mr. DAVIES: Did I understand the honourable leader to say they would not?

Hon. Mr. KING: There are certain risks they will not take. We understand that. That is why this Bill was presented to Parliament.

Hon. Mr. DAVIES: I do not know what those risks are.

Hon. Mr. HUGESSEN: They will not lend money upon real estate.

Hon. Mr. LAMBERT: I think that the point overlooked by the honourable senator from Kingston (Hon. Mr. Davies) is that this Bill provides for loans on capital extensions and semi-improvements. As I understand it, the Bank Act permits the chartered banks to make loans for commercial purposes in connection with the turnover of business, but not for capital development.

Hon. Mr. DAVIES: I think you are wrong. Provided they get proper security, the chartered banks will make loans for reasonable developments where the money is to be spent upon bricks and mortar. I quite agree that they will not take a mortgage on a building, but they will take a bond mortgage as security for a loan to be used in erecting a building—and that is practically the same thing. I am speaking from personal experience.

However, my purpose in rising was to speak on a different point. I have criticized this Bill to some extent because I do not think the proposed Industrial Development Bank is necessary, since the chartered banks would, if given the opportunity, do almost anything desired of them. What I want to speak about principally, though, is the lack of a provision that should have been in this Bill, if the Bill is to be passed at all. To-day, under the very heavy impact of taxation, there is no way by which the estate of a man whose money is tied up in his business can borrow funds with which to pay succession duties. The honourable gentleman from Saskatchewan North (Hon. Mr. Horner) told us yesterday of a large business that had been built up in an American city from a small blacksmith shop. Such things happen in this country. Let us assume that a man starts out in his early youth as a blacksmith. He is an inventive genius, and in time he builds up a business, on a relatively small scale, for the manufacture of implements or things of that kind. He takes his two sons in with him, and instead of withdrawing the profits he ploughs them back into the business. In order to facilitate banking and other arrangements, he incorporates the company, the directors and shareholders probably being himself, his two sons and his wife. The profits are not withdrawn, but are ploughed back into the business, and when the founder of the company dies the business is worth say, $150,000 or $200,000. All the money that he has made in his lifetime is in that business. If the company is in Ontario the succession duties will be heavy, for they are imposed by both the Dominion and the province, and are supposed to be paid within six months. Now, what I should like to know is how the estate is going to get money to pay those duties. The beneficiaries can draw money out of the business in only one way, by dividends; but these are so heavily taxed that probably the net receipts would be less than 50 per cent of the amount paid out.

It is in cases such as this that I think an industrial bank might have been of real benefit. The succession duties might run as high as $50,000, and the executors might find chartered banks rather leary about lending that amount on the security of the company. In this country there are thousands of family companies similar to the one I mention in this hypothetical case, and it seems to me that this Bill might well have contained a provision for making long term loans to enable executors to pay succession duties without having to sell out the business. Such a provision would have been of great benefit, not to new industries but to established industries.

As things are at present, in a case such as I have mentioned the executors could not borrow from a chartered bank or from the new Industrial Development Bank, and in order to obtain $50,000 cash with which to pay the succession duties the business would probably have to be sold. And there is one curious feature about this. Although the executors, who are directors and shareholders of the

company, could not borrow from the Industrial Development Bank, outsiders could come along, form a new company with a capitalization of $200,000, put up $75,000 of it themselves, and apply to the Industrial Development Bank for a loan of $125,000; and if the loan was granted, as it probably would be they could use the $200,000 for the purchase of the company. It seems to me that this Bill could have been drafted a little more in favour of family industries and a little less in favour of mythical industries that are supposed to spring up all over the place.

That is the point I wanted to make. It has been on my mind ever since the Industrial Development Bank was first mentioned in the Speech from the Throne. Some way must be provided by which the estate of a man who has built up a successful family company may be able to pay succession duties without having to resort to sale of the business. Auditors and lawyers throughout the country are urging men over sixty to dispose of their business interests, so that when they die—and men of that age have to look at these things seriously —there will be sufficient money in their estates to meet succession duties and prevent their families from being financially ruined.

Hon. NORMAN P. LAMBERT: Honourable senators, it seems to me that in the approach to this Bill a certain degree of confused thinking has been apparent on the part of honourable members who have referred to the personnel of the Industrial Development Bank's board while overlooking the actual purpose of the Bill. To my mind the question that arises pre-eminently is whether or not there is in the industrial field of Canada a need for the class of capital loans provided for by this measure; and secondly, if we satisfy our minds on that point, whether the proposed organization for dealing with this class of business is satisfactory in its practical field of operation. I think my honourable friend from Kingston (Hon. Mr. Davies) has just voiced a popular misconception, which was expressed in the Banking and Commerce Committee of the other House and has been frequently stated in other circles, inside and outside of Parliament, to the effect that the Industrial Development Bank will offer credit facilities to persons who would not be accepted as good risks by the chartered banks. That, I believe, is an incorrect conclusion to draw from the Bill. As I understand it, the Bill has one object, and one object only: to make it legal for the Bank of Canada, through this subsidiary organization, to supply credit of a character altogether different from the credit that can legally be supplied by chartered banks. The chartered banks have never been permitted and are not now permitted to engage in any such class of business as that which it is proposed the Industrial Development Bank shall handle. It is not intended that the Industrial Development Bank shall go out into the highways and by-ways of this country offering to extend credit to customers whose security would not be acceptable to the chartered banks.

My honourable friend from Saskatchewan North (Hon. Mr. Horner) and other honourable members referred yesterday to the definite need in the field of agriculture for a measure such as Bill 134, which is designed to encourage the provision of intermediate term and short term credit to farmers for the improvement and development of farms. It seems to me that the need for a similar class of credit in the industrial field is just as great, and that the Bill now before us is a response to that need. The question arises whether that class of credit can best be provided by the chartered banks of this country, or through this Industrial Development Bank, under the direction and control of the Bank of Canada.

Hon. Mr. HAIG: May I ask my honourable friend a question? How has that credit been provided in the past?

Hon. Mr. HOWARD: It has not been provided.

Hon. Mr. LAMBERT: I am well aware that, as was stated by the honourable gentleman from Kingston, in exceptional cases the chartered banks have made it possible for certain of their clients to borrow money for capital development. The popular form of security given in these cases is debentures or bonds, against which the banks make the required loans. But those exceptions must surely prove to anyone's satisfaction that the wide field of industrial development for aspiring young men who have had industrial and technical experience but no other capital assets, cannot be served by that class of loans. The chartered banks are finding a way to make such loans as my honourable friend from Kingston has described. But these are the exception rather than the rule, and really go to prove that the chartered banks have not been in a position publicly to appeal for the class of business which this Bill would empower the proposed Industrial Development bank to undertake.

So far as I know our banks have not at any time represented, publicly or otherwise, that they want to engage in the kind of business provided for by this Bill; but

because of that fact, it does not follow, nor is it correct to say, that the proposed industrial bank will attract a class of business which is not acceptable to the chartered banks. The Bank Act, as I have already pointed out, does not permit the chartered banks to handle any but commercial loans.

I am quite frank in saying that I should like to know more about the form of organization of the industrial bank. What will be the extent of the branch system referred to in the Bill, and will its personnel be recruited from the staff of our chartered banks or will an entirely new type of employees be engaged—employees without any particular business experience? Organization and personnel are vital to the proper development and management of the proposed bank. The Bill is not very clear in these particulars. We may be able to secure the information in committee.

While there is not any definite provision in the Bill, there would be no reason why, through its auxiliary, the Bank of Canada should not in future co-operate with the chartered banks in developing this kind of business.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LAMBERT: The relationship in this particular field between the industrial bank and the chartered banks may be much the same as that which has developed during the past ten years between the Bank of Canada and the chartered banks, with good results to the Dominion as a whole, both domestically and internationally.

The operations of the War Contracts Depreciation Board, which has been functioning since 1940, has, it seems to me, a very definite bearing upon the prospective operation of this kind of institution. The board was set up for the purpose of assisting manufacturers who desired to make capital expenditures on plant extension for the purposes of war industry. The board was presided over by a judge, assisted by two other members, one an accountant and the other a representative of labour. I have not heard the slightest adverse criticism of the board, which, through its own particular channel, has authorized the spending of millions of dollars in order to increase the war production of our industrial plants and provided a ratio of write-offs over a period of four or five years.

Hon. Mr. HAIG: Did not the leader of the C.C.F. party object to that being done in respect of one particular company? It is a famous case.

Hon. Mr. LAMBERT: That may be so, but it does not apply to what I have in mind in this connection. Through the War Contracts Depreciation Board the Government has advanced vast sums of money for capital expenditure, and this has enabled Canada to play its part in the industrial war effort. I would recommend any honourable member who is interested in the subject to apply to the Department of Munitions and Supply for details of what has been done. He will find that as a result of the capital help received through the War Contracts Depreciation Board many of our small industries were able to make an impressive contribution to our war effort. I am sure my honourable friend is familiar with the case of a small concern in the city of Winnipeg, conducted by two brothers—I will not give their names. Before the war they were repairing aeroplanes and making aeroplane pontoons. By means of capital assistance received through the board, they have been able to build up an industry which will, I hope, continue to expand in the post-war period. But during the war years the earnings of this and other industries have been far beyond their orignal capital structure, and by way of taxes they have had to contribute about 80 per cent of their net profits to the Government, leaving them with no working capital to meet future needs. I know of another case of three brothers engaged in a garage business in a small town within fifty miles of Toronto. They undertook to make a particular part of aeroplane radio equipment. Through the help of the board they have in the past three or four years expanded their business volume to over $1,000,000 a year. But although taxation has left them without any working capital whatsoever, he would indeed be a short-sighted man who would not predict for those brothers a prominent position in the future industrial life of Canada. These are the type of cases that I think the proposed industrial bank is designed to serve.

Hon. Mr. DAVIES: Those are established businesses. Is it the purpose of this Bill to come to their aid when they are in need of help?

Hon. Mr. LAMBERT: I would remind the honourable senator from Kingston that they are not established industries. They were simply workshops before the war, but their owners, through their skill and energy, were able to make a very substantial contribution to the industrial output of the country in furtherance of our war effort. The point is that through the operation of the War Contracts Depreciation Board these men by their skill, their confidence and their ability to do a job well have created a large capital

expansion of their plant, but they now find themselves without working capital, due to the heavy war taxation, which often enough has been the subject of discussion in this Chamber. These small industries that have expanded during the war will become an important factor in the post-war development of this country if by taking advantage of the provisions of this Bill they can, through the Industrial Development Bank, receive the necessary help to enable them to build up a sufficient capital reserve out of operating profits.

This war has enlisted the services of a vast number of young men at the threshold of their career. Most of them, whether in the Air Force, the Navy or the Army, have been given an intensive mechanical and technical training. Many of them will for the first time be looking forward to an industrial career in Canada, and it seems to me that the greater opportunity in the field of industry that we can offer to young men of that type the better it will be for their future and for the future of Canada. They certainly deserve well at the hands of this country.

Some Hon. SENATORS: Hear, hear.

Hon. JOHN T. HAIG: Honourable senators, until the honourable gentleman from Ottawa (Hon. Mr. Lambert) spoke I had not intended to take part in this discussion. The honourable member from Kingston (Hon. Mr. Davies) has raised the question of succession duty. My honourable friend from Ottawa says that though men have done well in war industry, war taxation has absorbed all surplus profits and thus deprived them of working capital. Taxation has taken away money from all who have earned it. What are we going to do—lend the money back to them? My honourable friend from Ottawa has referred to a couple of brothers in Winnipeg. I know them quite well. To-day we have the largest industrial machine in the history of Canada and thoughtful persons are wondering what we are going to do with it after the war. The problem we have to face is not that of helping out some new industry. I appreciate the fine idealism of the speech of the honourable member from De Salaberry (Hon. Mr. Gouin), but under this Bill we shall be dealing with other people's money, not our own. When the taxpayer dies you are going to say to his executors: "You have got to pay us $50,000 in succession duties, cash on the barrel-head, because we made a loan to a company in Winnipeg and lost $50,000." That in effect is what we shall be saying.

An Hon. SENATOR: No.

Hon. Mr. HAIG: We shall be saying to some other industry: "We have got to impose taxes on you to pay a loss on those loans." That is why our taxes are increasing. Take the successful war industry to which my honourable friend referred. To-day it is not a question of selling the product; all a producer has to worry about is how to get materials. Certainly industrialists can make money to-day—anybody could make money under such conditions. I have known the members of that firm for thirty-five years. They are fine fellows. They are making money because the Government gives them orders for as much as they can produce. These garage people also are making money, for the same reason. There are plenty of industries like these all over the country to-day, and for the life of me I cannot see why any money should be taken out of my pocket to help start new ones.

I have a sympathetic feeling, as we all have, towards young men and women who come home from the war. But observe life, and you will see that the people who succeed were not fed with pap. In every walk of life that is true. Take farming, for instance. My honourable friend from Saskatchewan North (Hon. Mr. Horner) is a successful farmer, but some farmers in the same neighbourhood may be unable to get along without assistance. My honourable friend from Thunder Bay (Hon. Mr. Paterson) is a good grain man, one of the best in Canada, and he did not have to be helped to make a success of his business. Dozens of other firms that were started at the same time as his was are now forgotten.

Hon. Mr. HOWARD: That kind of thing is always happening.

Hon. Mr. HAIG: The reason my honourable friend from Kingston (Hon. Mr. Davies) is worrying about succession duties is that he is a successful newspaper man. Lots of newspaper men in this country do not have to worry about such things, for if they died to-morrow their estates would not have to pay any tax. The same thing is true throughout industry. Some firms expand gradually, and as new capital is needed they issue bonds, which are sold locally or provincially, and sometimes throughout the Dominion. People buy these bonds if they know the companies stand a good chance of being successful. Such conditions will continue.

I have never had any fear about a man of ability getting on, whether in law, medicine, newspaper work, merchandising, shipping, grain handling, farming, or any other line of activity. The honourable gentleman from Thunder Bay—I hope he will pardon my referring to

him again—has a large staff of men and women working for him. He does not need to be told who are the people of ability in his organization, for they come to the top. That is true in every business. There is no difficulty in getting money for any enterprise if you can show the public that it will be made to pay.

After the war there will be too much money available, rather than too little. The interest rate is down to 3 per cent now. Large numbers of people who saved a few thousands of dollars for their old age, expecting to draw an income at 5 per cent, now are unable to get much more than half that rate.

We are taking the first step towards socialism. If I believed in socialism I should hold up both hands for this Bill, for it is the thin edge of the wedge. Government money is to be lent to business enterprises. We experimented with that kind of thing in Manitoba, in two fields: we tried to help farmers to buy stock, cattle and horses—

Hon. Mr. KING: I do not wish to interrupt my honourable friend, but I am sure he is desirous not to mislead the House. He says the Government will be lending money to finance business enterprises. As I explained this morning, the first allotment of the Industrial Development Bank's stock, $10,000,000, will be taken up by the Bank of Canada, and further allotments are to be offered to the public, who will be free to buy or not.

Hon. Mr. HAIG: What is the total capital, $200,000,000?

Hon. Mr. KING: $100,000,000.

Hon. Mr. HAIG: That will be the taxpayers' money.

Hon. Mr. KING: No, not at all.

Hon. Mr. HAIG: The $10,000,000 put up by the Bank of Canada will be the taxpayers' money.

Hon. Mr. KING: No.

Hon. Mr. HAIG: The Government has no means of getting money except out of taxpayers.

Hon. Mr. LAMBERT: My honourable friend surely knows that the Bank is expected to get back its capital investments out of the business it does.

Hon. Mr. HAIG: I say that the capital will not be returned out of earnings. If the Bank does what my honourable friend from Kingston (Hon. Mr. Davies) said, it will not make any loans; and if it does what my honourable friend from Ottawa (Hon. Mr. Lambert) said, it will lose money.

Hon. Mr. LAMBERT: My honourable friend has in mind the evidence given by Mr. Towers before the Banking and Commerce Committee of another place. Mr. Towers was simply stating that the Industrial Development Bank would not necessarily accept every application for a loan, but that each application would be subjected to the same standard of examination as would be applied by a chartered bank.

Hon. Mr. HAIG: That is exactly what my honourable friend from Kingston said.

Hon. Mr. LAMBERT: The point is that Mr. Towers was referring to a different class of loan.

Hon. Mr. HAIG: A banker has never made that kind of loan and would not make it now. The same criterion is used by prospective purchasers of bonds offered on the market. Take the Aluminum Company of Canada—that is the company I referred to just now. Mr. Coldwell, the leader of the C.C.F., complained bitterly about the amount which that company was allowed for depreciation. Incidentally, I notice this year it is $34,000,000.

Hon. Mr. LAMBERT: Did you approve of what he said?

Hon. Mr. HAIG: The depreciation was allowed by the board you referred to. Mr. Coldwell went out to the Selkirk constituency and told the people all about it. What happened? The Government candidate got 4,000 votes and his opponent got 11,000.

Hon. Mr. LAMBERT: Did you agree with Mr. Coldwell's criticism of the board on that score?

Hon. Mr. HAIG: That is not the issue.

Hon. Mr. LAMBERT: Yes, it is. My honourable friend asked a question and answered it at the same time. I knew he was referring to the Aluminum Company of Canada, and right here and now I want to make an absolute denial that Mr. Coldwell's criticism of the board's action was correct. It was proved in the other House by the Minister of Munitions and Supply that the criticism was without any decent foundation whatever. That is why I should like to know whether my honourable friend agrees with Mr. Coldwell.

Hon. Mr. HAIG: Mr. Coldwell made certain charges, and Mr. Crerar went out to the Selkirk constituency and attempted to reply to them on a public platform. In every part

of the constituency where Mr. Crerar spoke the electors voted four to one against the Liberal candidate.

Hon. Mr. HOWARD: Does that show that Mr. Crerar was not right?

Hon. Mr. HAIG: No; but it shows that the people believed Mr. Coldwell. Public opinion in this country is aroused over that thing. The day will come—I say this quite candidly—when my honourable friend from Kingston will regret that he did not fight against this Bill more vigorously. The losses under it will be tremendous. We experimented with this kind of thing in Manitoba, by making rural credits available, and we lost thousands of dollars. In the district of Roblin, for instance, a man had about $400,000 out on loans to farmers, and the loans were shaky. The rural credits people came in, formed a society, and said, "We will teach so and so that he cannot charge 6 or 8 per cent." He got his money back, and the province of Manitoba took the loss.

Hon. Mr. PATERSON: Did the province of Manitoba go into the elevator business too?

Hon. Mr. HAIG: Yes, and had a similar experience.

Hon. Mr. KING: But the Industrial Development Bank will be managed by men who know the banking business.

Hon. Mr. HAIG: Theoretically, under ideal conditions, this new bank would be a success; but in the matter-of-fact business world it will not be. The reason is that people do not like to borrow money from a government. Why do men who could make loans from friends prefer to go to banks and pay a higher rate of interest? Because they do not want to disclose their business affairs to friends. No business man will borrow money from a government institution if he can get it anywhere else. The Government might change, and then you could not tell what would happen. Even the Government supported by my honourable friends opposite may change.

Hon. Mr. QUINN: Not "may," but "will."

Hon. Mr. HAIG: I will not go that far, for I have taken part in so many elections and had so many surprises that I am never sure.

I do not like this Bill, which is advocated—and largely, if the truth were known—by the head of the Bank of Canada himself.

Hon. Mr. KING: No, no.

Hon. Mr. HAIG: Yes.

Hon. Mr. KING: He gave reasons, sufficient reasons, for supporting the measure.

Hon. Mr. HAIG: It is his Bill.

Hon. Mr. KING: I have great respect for his ability.

Hon. Mr. HAIG: Because of his control, over the Bank of Canada he would have control over part of the field in which the new bank will operate. None of these officials should be allowed to have anything at all to do with this new bank, because it will be in competition with other businesses that they control.

I have never been convinced that anything would keep an industry from getting started and prospering if its promoters were men of real ability. I am persuaded that our problem after this war will be, not how to establish new industries, but how to enable the industries we already have to keep going. The solution of that problem will depend on world trade more than on anything else. You can talk as much as you like about all these social ideas that are in the air just now. They are being tried out so as to head off the C.C.F., and I do not think they will accomplish that.

We shall have the same old experience with this Industrial Development Bank as we have had with other theoretically sound enterprises; that is, we shall have to take the loss. If that does not happen, the reason will be that the bank has not made any loans at all.

I am sorry to have taken up so much time, but I want to say again that I am opposed absolutely to the Bill and to its principle. This new organization is not necessary. It is not a bank, and it should have been called what in fact it is intended to be, a money-lending corporation.

It is late in the session and a hot day. Already one honourable member of this Chamber has collapsed while arguing about this proposed bank, and I am not a bit surprised. I hope he will soon recover.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: I feel very keenly about this Bill. Such business instinct as I have tells me that the measure should never be put into effect. Financial assistance to farmers and to fishermen is an altogether different matter; if we lose money on that, it can be looked upon as a form of subsidy. But there is no need whatever of risking money on loans of the kind contemplated by this Bill, for any enterprise that is sound can get all the money it wants. Furthermore, as I have already said, immediately after the war there will be too many industries, and we shall have enough to do trying to keep them operating, without encouraging the establishment of new ones.

Hon. Mr. LAMBERT: If by amendment to the Bank Act provision were made for the chartered banks to deal in short term and intermediate loans in the industrial field, would the honourable gentleman agree then to the principle of this Bill?

Hon. Mr. HAIG: Yes and no. Yes, if that is the way the loans should be made. No, because I do not want to put anything on the shoulders of the banks that might tie up their money and jeopardize their stability. I do not think that will happen with loans to farmers and fishermen, or I would not be in favour of such loans. Fundamentally, I want to keep the banks sound, so that when I wish to withdraw a deposit, say, of $200 I can do so without question. The business should be done through the banks if done at all.

Hon. Mr. LAMBERT: I asked the question because I understood from the honourable gentleman's remarks that he did not think there was any need for industrial expansion.

Hon. Mr. HAIG: I do not.

The Hon. the SPEAKER: Shall the motion carry?

Hon. Mr. HAIG: On division.

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

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the third time?

Hon. Mr. KING: Now, if there is no objection.

Hon. Mr. HAIG: All right.

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

FARM IMPROVEMENT LOANS BILL

REPORT OF COMMITTEE

Hon. W. H. McGUIRE, for the Chairman of the Committee on Banking and Commerce, presented the Committee's report on Bill 134, an Act to encourage the provision of intermediate term and short term credit to farmers for the improvement and development of farms, and for the improvement of living conditions thereon.

He said: The Committee has examined this Bill, and begs to report the same without amendment.

Hon. Mr. HAIG: It is all right.

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.

BANK BILL

REPORT OF COMMITTEE

Hon. W. H. McGUIRE, for the Chairman of the Committee on Banking and Commerce, presented and moved concurrence in the Committee's report on Bill 91, an Act respecting banks and banking.

He said: The committee has amended subsection 4 of section 92 of the Bill.

The motion was agreed to.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill, as amended, be read the third time?

Hon. Mr. KING: Now, if there is no objection. But I should add that there are two minor amendments, which my honourable friend from Inkerman (Hon. Mr. Hugessen) will move.

Hon. Mr. HUGESSEN: There are two further amendments of a minor character.

I move that the Bill as reported from the Standing Committee on Banking and Commerce be not now read the third time, but that it be further amended as follows:

At page 49, line 48, and at page 50, line 4, for July substitute September.

The motion was agreed to.

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

Hon. Mr. KING: Now.

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

QUEBEC SAVINGS BANKS BILL

REPORT OF COMMITTEE

Hon. W. H. McGUIRE, for the Chairman of the Committee on Banking and Commerce, presented and moved concurrence in the Committee's report on Bill 131, an Act to amend the Quebec Savings Banks Act.

He said: The committee has made a couple of amendments to this Bill.

The motion was agreed to.

THIRD READING

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

Hon. Mr. KING: Now.

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

SUSPENSION OF RULES

Hon. J. H. KING: Honourable senators, I beg to move:

That for the balance of the session rules 23, 24 and 63 be suspended in so far as they relate to public bills.

The Hon. the SPEAKER: I might advise the Senate that rule 23 provides in certain cases for two days' notice, rule 24 for one day's notice; and rule 63 imposes restrictions on dealing with bills.

The motion was agreed to.

CITY OF OTTAWA

REPORT OF JOINT COMMITTEE ON FEDERAL-MUNICIPAL ARRANGEMENTS

On the Orders of the Day:

Hon. W. RUPERT DAVIES: Honourable senators, may I ask the honourable leader of the Government if it is the intention to consider this session the report of the joint committee appointed to review the special problems arising out of the location of the seat of Government in this city?

Hon. J. H. KING: The report has been tabled. No doubt it will be submitted to the proper Department for consideration. Should the Government decide to meet the request for an increased grant, or lay down a policy for the beautification of the City and the surrounding district, I presume it will take the steps necessary to this end.

ADJOURNMENT—BUSINESS OF THE SENATE

Hon. Mr. KING: I would remind honourable members that in accordance with the motion adopted yesterday, when the Senate adjourns to-day it will stand adjourned until to-morrow morning at 11 o'clock.

Hon. Mr. HAIG: Will the War Services Gratuities Bill be ready to-night?

Hon. Mr. KING: I have no word yet from the House of Commons that the Bill has been passed. If it is available to us to-morrow morning I think we shall have time to deal with it.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

Saturday, August 12, 1944.

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

WAR SERVICE GRANTS BILL

FIRST READING

A message was received from the House of Commons with Bill 184, an Act to provide for the payment of war service gratuities and for the grant of re-establishment credits to members of His Majesty's forces in respect of service during the present war.

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 will be of greatest interest to those who have been serving in the armed forces of Canada during this war, which began nearly five years ago. It has a personal application to them, and I am sure the Senate will endorse its passage. One could say a great deal regarding the service rendered throughout the war period by our various armed forces and by the people of Canada as a whole. It has been service of a character which, I am sure, makes Canadians proud. The world at large has taken notice of our contribution towards victory.

Though victory is assured, the war is not yet over, and no one can predict when it will end. As I have remarked, we have been at war for almost five years. Many men and women are daily retiring from the forces on account of physical conditions brought about by service, or because the Department of National Defence finds it advisable to reduce the personnel in certain branches. Therefore it is necessary that a measure of this kind should be enacted now.

The principal object of the Bill is to provide war gratuities. We all know that the pay of men and women in the services is limited to certain specified amounts. Recently we have passed measures to provide certain post-war opportunities or advantages for ex-members of the armed forces; and the present measure is designed to give them some token of the appreciation of Parliament and the people. No one would for a moment pretend that the token will in any way compensate them for the service they have rendered to their country.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: I am not disposed to speak on the measure at great length. It is divided into three parts, preceded by a section defining various terms.

Part I deals with war gratuities. The amount of the gratuity will vary according to the field of service in which the individual member of the forces may have served. For example, a man with one year's service in Canada and two years' service overseas is entitled to a gratuity of $450, to be paid to him in monthly instalments. As honourable members are aware, during the last session or two we have passed legislation to provide certain benefits for returned men, such as unemployment insurance, grants for vocational and university training and post-graduate training, and also for their re-establishment in farming, fishing or industry, or to enable them to buy a home. Returned men are also entitled to reinstatement in the positions they filled before the war, and to a preference rating in Civil Service examinations.

Part II deals with re-establishment credit, and Part III contains general provisions.

This Bill is the result of sustained study by officials of the army, naval and air services and by ministers, deputy ministers and others who will have to do with the administration of the proposed legislation. I suggest to honourable senators that after we have given the Bill second reading we should refer it to committee, where officers of the department will give a detailed explanation.

I move second reading.

Hon. G. V. WHITE: Honourable senators, I do not rise for the purpose of opposing or in any way impeding the passage of this very important measure. On the contrary, I desire to express my entire approval of this legislation, which indicates in a tangible way our gratitude to the brave men and women of Canada who have staked their all in the service of their country.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. WHITE: We cannot be too generous in our treatment of our sailors, soldiers and airmen. I take it that this measure will recompense fairly generously the men and women who have served their country well. I believe the people of Canada will wholeheartedly endorse this very important legislation.

Some Hon. SENATORS: Hear, hear.

Hon. A. K. HUGESSEN: I think honourable senators will agree, as the two speakers who preceded me have said, that we in this country are all most anxious to do everything we can to help our returned soldiers, sailors and airmen to re-establish themselves in civilian life.

We have not had very much time, of course, to examine into this Bill; but last evening I did devote some time looking into its provisions, and it seems to me that the measure has been very carefully thought out, and that its provisions should appeal to honourable members of the Senate as being a well-designed effort to help the members of our armed services to rehabilitate themselves after this war.

As my honourable friend the Leader of the Government has pointed out, the Bill is divided into two parts. Part I makes provision for the war service gratuity, and Part II for re-establishment credit.

The war service gratuity is payable, and I think very justly so, on the basis of the length of time that a man has served in Canada and overseas. That gratuity is at the rate of $7.50 a month for each month served in Canada or in the western hemisphere, and at the rate of $15 per month in respect of overseas service. In addition to that, every man who served overseas gets a further grant of seven days' pay and allowances for each six months that he served overseas. I would point out to honourable senators that this is the only provision in the measure which recognizes a distinction in rank between officers and men. The main gratuity is payable on an equal basis, regardless of the rank a man may have held; but this extra provision of seven days' pay and allowances for every six months of overseas service gives some recognition to the higher pay received by an officer.

Hon. Mr. LACASSE: Does the term "overseas service" include service in Newfoundland and the West Indies, or does the term "western hemisphere" cover them?

Hon. Mr. HUGESSEN: The term "overseas" includes everything but the western hemisphere as defined in paragraph (j) of Section 2, namely:

> "Western Hemisphere" means the continents of North and South America, the islands adjacent thereto and the territorial waters thereof, including Newfoundland, Bermuda and the West Indies but excluding Greenland, Iceland and the Aleutian Islands.

Hon. A. L. BEAUBIEN: Does the provision respecting the seven days' pay for six months service, which brings about a distinction according to rank, apply to officers only?

Hon. Mr. HUGESSEN: Oh, no. It applies to all ranks; but, as I was pointing out, it is the only provision of the Bill which makes any

distinctions between officers and other ranks.

The war service gratuity, calculated on the basis I have just mentioned, is not payable to a man in a lump sum on his discharge, but is spread over a period of months at the rate of pay he was receiving at the time he was discharged. In a minute or two I shall give honourable senators an example of how it will work out. I should point out that before a man gets a gratuity under this Bill, by the regulations now existing he will receive at the moment of his discharge one month's pay and allowances to carry him over the first month after discharge, and in addition a clothing allowance which, as announced by the Minister of National Defence, has just been increased from $65 to $100. In a word, before he begins to draw his allowance under this measure, he will have received one month's pay and allowances plus clothing allowance.

Part II of the Bill deals with what is called re-establishment credit. The re-establishment credit is equal in amount to the war service gratuity; that is, it is equal to the amount he receives in cash month by month, at the rate of $15 per month for overseas service or $7.50 per month for service in Canada. If, for instance, a man were entitled to a war service gratuity of $400, he would also be entitled to $400 of re-establishment credit. But that is not paid month by month; it is a sort of capital sum which can be used at any time up to ten years to pay to a man, or someone on his behalf, certain sums to aid in his civil rehabilitation.

Now, the nine different purposes for which the re-establishment credit can be granted to a man are set out in Section 9 of the Bill. They are: the acquisition of a home; the repair or modernization of his home, if he owns one; the purchase of furniture and household equipment; the provision of working capital for his profession or business; the purchase of tools, instruments or equipment for his trade, profession or business; the purchase of a business; the payment of life insurance premiums—

Hon. Mr. QUINN: How does that apply in the case of a man who already has life insurance when he goes overseas and who has made provision for premium payments monthly, semi-annually, or annually, and those payments have been made in full up to the time of his arrival home?

Hon. Mr. HUGESSEN: I understand that the re-establishment credit can be applied only to special war veterans insurance policies, not to ordinary insurance.

Hon. Mr. QUINN: I see.

Hon. Mr. HUGESSEN: This special re-establishment credit does not apply if a man already has taken advantage of certain other provisions previously enacted for the benefit of returned men, such, for instance, as the Veterans' Land Act and the financial provision under it, or the educational and vocational schemes already set up by the Government.

If he has accepted any of these benefits he does not get the re-establishment credit provided for in Part II of this Bill. Part II in that sense may be regarded as filling a gap, because it really makes provision for men who have not taken up land under the Settlement Act or received the benefits of educational or vocational training. It is a sort of provision for the benefit of men who have not availed themselves of the educational or land benefits.

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

Hon. Mr. HUGESSEN: Certainly.

Hon. Mr. DAVIES: Will the fact that a soldier overseas comes back to the position he formerly had interfere in any way with his getting these advances?

Hon. Mr. HUGESSEN: No, not in any way.

Hon. Mr. QUINN: Suppose a man after discharge decides to take a college or university course, or to finish a course that he started before he went away, how would that apply?

Hon. Mr. HUGESSEN: I am not familiar with all the details of the provision which has already been made by the Government for the benefit of men who wish to go to college. They are very extensive. In fact, it is anticipated that about 30,000 of our overseas men will go to college when the war is over, and there are provisions by which their fees and living expenses will be paid.

Hon. Mr. QUINN: Under some other Bill?

Hon. Mr. HUGESSEN: Yes. And if they avail themselves of those provisions they do not get the benefits under this measure.

Hon. L. M. GOUIN: Honourable senators, there is a possibility of a man availing himself of the provisions of paragraph (h) of Section 9. There are cases in which a returned man who could not avail himself of the educational opportunities given by the other Act might avail himself of the benefits of this measure. I think, however, my honourable friend is quite right in stating that the other provisions are more favourable for educational purposes.

Hon. Mr. HUGESSEN: I think that is indubitably so.

I just want to point out that after the last war there was no provision made for anything similar to the re-establishment credit set up by this Bill. The result after the last war, as I think honourable members will agree, was rather unfortunate. Returned men felt that while serving overseas they had suffered unduly in a financial sense as compared with men who had stayed at home and worked in munition factories at high wages. Civilians had been able to better themselves in a capital way, by acquiring homes, furniture, and so on, whereas the men overseas had received no comparable benefit.

Hon. Mr. QUINN: The same thing is true now.

Hon. Mr. HUGESSEN: It is in an attempt to avoid giving cause for that state of mind on the part of returned men that this capital re-establishment fund is set up. My honourable friend from Pembroke (Hon. Mr. White) will recall that among the ranks of the returned men after the last war there was considerable agitation for a cash gratuity of $2,000. I well remember the slogan: "We want our $2,000." That slogan had its force and its effect because of the fact that the men who had gone overseas felt they had lost out in a capital way as compared with men who had stayed at home and worked at high wages. The capital payment that may be applied for the benefit of veterans of this war is, I think, an answer to that cry, which was raised at the end of the last war.

Perhaps it might be interesting to honourable senators if I were allowed to refer to my own case, by stating, first of all what happened to me after the last war and, secondly, what benefits I should have received under the present Bill had I served in this war. I served in the last war for approximately three years: six months in Canada and two and a half years in England and France. Upon returning to Canada I received, if my memory is correct, a lump sum of $350. That was paid to me shortly after demobilization, and it was all I ever got. It seemed to me to be a fairly generous provision, and I had no objection to it whatever.

That was the way our soldiers were treated after the last war: they were paid a lump sum. Honourable senators will realize that it is not always advisable to pay a man a considerable amount in one lump sum immediately after he comes home from overseas. It may lead to abuse, as in fact it sometimes did after the last war. A returned man whose nerves are shattered has not his normal judgment, and in some cases the lump sum gratuity was wasted or thrown away in a short time.

Hon. Mr. QUINN: Many cases.

Hon. Mr. HUGESSEN: The war service gratuity provided under Part I of this Bill will be payable to the veteran, not in a lump sum, but over a series of months, starting one month after his discharge, at the rate of pay he was receiving when last in the forces. To my mind that is better from the point of view of a returned man than the old system was. It means that during a period of four, five or six months, or maybe longer, after his discharge he will receive a regular monthly allowance, which will permit him to look around and choose a means of re-establishing himself in civil life.

With permission of honourable senators I will refer again to my own case, in order to show the amounts I should receive if at the end of this war I were, as I was at the end of the last war, an unmarried sergeant with three years' service, two and a half years of which were spent overseas. First of all, on discharge there would be one month's pay and subsistence allowance, totalling $103, and a clothing allowance of $100. That is entirely apart from the benefits under the present Bill. Then, under Part I of the Bill, I should be entitled to a war service gratuity at the rate of $7.50 a month for the six months' service in Canada, $45; then at the rate of $15 a month for the two and a half years overseas, $450; and, thirdly, seven days' pay and allowances for every six months overseas, $120. That would make a total war service gratuity of $615, which would be paid to me at the rate of approximately $103 a month for six months after discharge. So with the one month's pay received on discharge, there would be a period of seven months during which I would be in receipt of a regular income and free to re-establish myself. The amount payable to a married man with dependents would be larger, for it would be computed at his own rate of pay plus the separation allowances for his wife and children.

Hon. Mr. PATERSON: All these payments are free of taxes, I suppose.

Hon. Mr. HUGESSEN: Every amount payable under this legislation is free of taxes.

Then under part II of this measure a gratuity of $495 would be available after my return for any of the nine capital purposes enumerated in section 9 of the Bill.

Hon. A. L. BEAUBIEN: In addition to the $103 a month?

Hon. Mr. HUGESSEN: Yes. This is the re-establishment allowance.

Hon. Mr. QUINN: How do you get $495?

Hon. Mr. HUGESSEN: It is the same as provided for by section 3 of the Bill: six months at $7.50 and two and a half years at $15—that is $45 plus $450.

Hon. Mr. HOWARD: In your own case?

Hon. Mr. HUGESSEN: In my own case. That is the amount I should be entitled to if my service had been in this war. I must apologize to honourable senators for referring to my own case.

Hon. Mr. QUINN: It is a good way of illustrating your point.

Hon. Mr. HUGESSEN: It seems to me a good way to show how the payments are reckoned.

Hon. Mr. WHITE: May I ask the honourable senator a question? After the last war was it not conceded that the gratuity accorded to Canadian veterans was fairly generous in comparison with the gratuities paid by other countries?

Hon. Mr. HUGESSEN: I quite agree with my honourable friend; I think that the payment received by Canadian ex-service men after the last war was generous in comparison with what was given ex-service men of other countries. But I am sure he will agree with me that this is a still more equitable provision, and that it is better calculated, and in view of the provisions of this Bill, will in all probability be better applied.

Hon. Mr. QUINN: Excuse me for interrupting. We must also keep in mind that the rate of pay for the people who stayed at home has been higher during this war than it was twenty-five years ago.

Hon. Mr. HUGESSEN: Yes, that is true. To follow along the line of my honourable friend's thought, I would point out that in this war the difference between the pay of members of the armed services and that of people in industry has not been nearly so large as it was in the last war, when bloated wages were paid by munitions factories.

The total allowances payable to me, if I had served in this war, would amount to something more than $1,300, as compared with the $350 that I received at the end of the last war.

I believe honourable senators will agree that allowances on this proposed basis are adequate for the purpose of enabling returned men to re-establish themselves in civil life. I do not want to use the term "generous," because it seems to me that is not an appropriate word.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HUGESSEN: You cannot estimate any amount of cash as being a generous payment to a man who has volunteered to sacrifice his life on your behalf. So I will not use the word "generous." But I do think that as a nation—I am not speaking for the Government; after all, this is a national Bill, supported by all parties—I do think that as a nation we are entitled to say that by means of this Bill and other legislation for the benefit of service men—

Hon. Mr. QUINN: —we are doing our duty.

Hon. Mr. HUGESSEN: I could not put it better than it has been put by my honourable friend from Bedford-Halifax (Hon. Mr. Quinn)—we are doing our duty.

There is just one more thing I want to say about the general features of this Bill. I desire to adopt as my own the very eloquent words used yesterday afternoon by the honourable senator from De Salaberry (Hon. Mr. Gouin) in connection with the Industrial Development Bank Bill. We all realize, whether we come from Quebec or any other province, that this is a Canadian measure and a Canadian obligation. True, it will be costly; the estimated cost is $750,000,000, but I am sure honourable senators that there will not be a word of objection to the cost from anyone in the province of Quebec or any other part of the country.

Hon. Mr. HOWARD: Hear, hear.

Hon. Mr. HUGESSEN: None of us in Quebec will sit down and calculate how much of this money will be paid to the people of one province and how much to the people of another. We understand that this is an obligation of all the Canadian people, a national obligation to our returned men, and we in the province of Quebec are glad and proud to assume our full share of that obligation.

Hon. L. M. GOUIN: Honourable senators, our honourable colleague from Inkerman (Hon. Mr. Hugessen) deserves to be heartily congratulated upon the clear and interesting explanation that he has just given. We know of his modesty, and we wish to assure him that he need offer no excuse for having referred to his own case in illustrating the provisions of this measure. On the contrary, he is to be commended for so doing, because thereby he showed in a specific manner how the gratuity and allowances for our returned men will be calculated. Our honourable friend from Inkerman declared, frankly, that he considered himself to have been fairly treated at the end of the last war.

I think it is wise not to pay gratuities in a lump sum, but instead to average them over a period of some months at the rate of pay received by the veterans before their discharge. It is always difficult to adapt oneself to a suddenly changed condition. If a young man is used to living within a certain budget, and one fine morning he receives an amount which to him seems like a small fortune, he is likely, even though ordinarily prudent, to spend it within a short time and without much thought. Nowadays we often meet young men who tell us of their preoccupation or even their anxiety as to the future. I believe that everybody will be pleased by the terms of this measure, and that it deserves our unqualified support.

When for a couple of years I served as legal adviser to a committee which we had in Montreal to deal with the re-establishment of soldiers in civil life, I acquired some practical experience of the problems of our returned men. This experience convinces me of the necessity for this measure, and I give it my unqualified support.

Hon. IVA C. FALLIS: I rise merely to endorse what has been so ably said from this side by the honourable senator from Pembroke (Hon. Mr. White), and to give my warm and unqualified support to this Bill. As has been well said, there can be no divergence of opinion either in this House or outside as to the wisdom, the fairness and the justice of this measure. We are all in agreement that the best we can do—either individually or nationally—for those who have done so much to assure our uninterrupted comfort and security is by no means a recompense for the sacrifices they have made and the horrors through which they have passed and are still passing.

Some Hon. SENATORS: Hear, hear.

Hon. Mrs. FALLIS: But, as my honourable friend has said, what we are now doing is at least a gesture, and does show to those boys and men that in our hearts we all desire to do everything possible for them on their return to civil life.

I should just like to add that I am especially appreciative of the fact that by this Bill the Government accords generous treatment to the women who are serving in our armed services—

Some Hon. SENATORS: Hear hear.

Hon. Mrs. FALLIS: —and to the dependents of the men who have fallen in battle. The great majority of these dependents will, I regret to say, be women.

Had it been possible, I should like to have seen the gratuities for those who served overseas based on the actual service rendered; that is, something in the nature of a sliding scale according to the battle zones in which they served and the nature of the services rendered. I quite appreciate the statement made by the Minister in the other House, that the cost of the complicated system of accounting which this would involve would be virtually prohibitive. But I hope that this shortcoming will to a certain extent be made good by his assurance that on demobilization the men who have served in the various theatres of war will be looked after first in the matter of employment.

As to the remarks of the honourable senator from Inkerman (Hon. Mr. Hugessen) that this is a national measure and no one could object if more money goes to one province than to another, may I just say it is obvious to all that if more money does go to one province than to another, it is simply because more men from that province have been on active service. In a word, the money goes to the men who have actually served in the various battle zones.

This is a national measure and will receive national support, and I commend the Government for introducing it.

Hon. W. RUPERT DAVIES: Honourable senators, I heartily endorse everything which has been said in support of this measure. However, I should like to have the views of the honourable senator from Inkerman (Hon. Mr. Hugessen) on paragraph (j) defining "western hemisphere." I have been a little worried about men who volunteered for active service in the Army, Navy or Air Force, and who are still willing to go overseas, but have been kept in the western hemisphere. I wonder how they will regard this Bill. I am thinking more particularly of men in the Navy. We have quite a number of Navy personnel stationed in Newfoundland for convoy duty, which necessitates the maintenance there of a more or less permanent staff. The same condition obtains both in the Army and the Air Force, as I happen to know. The great bulk of these men have, as I understand, volunteered for active service anywhere; but having been retained in Bermuda or the West Indies or Newfoundland, they will not be classed as overseas men.

Hon. Mr. HUGESSEN: Honourable senators, I do not think that a member of the active service forces, who by reason of national necessity was forced against his will to stay in Canada or Newfoundland or the West Indies, would feel any grudge against his more fortunate companion who was able to go overseas and do some fighting. I think there is a good deal in what my honourable friend from Kingston (Hon. Mr. Davies) says

about certain classes of men who, for instance, are in the crews of destroyers based on Newfoundland, or in the Air Force based on the Atlantic or the Pacific coast, and whose ordinary work is to patrol the seas for submarines, and so forth. If I remember rightly, the Minister in another place said that those men during their hours of flight or seamanship, although they happened to be based in the western hemisphere, were in reality on active service, and would be so regarded for gratuity purposes.

Hon. Mr. QUINN: Is it not covered by the words "obligated to serve without territorial limitation" in paragraph (i) of the subsection defining service?

Hon. Mr. HUGESSEN: I think so, though I do not pretend to be an expert on the details. However, as the Bill is to be referred to committee, my honourable friend from Kingston can get a fuller answer there.

Hon. Mr. GOUIN: Honourable senators, if honourable senators will look to the definition given in paragraph (h) of section 2 they will find it perfectly clear that overseas service includes service anywhere in aircraft or in a seagoing ship of war.

Hon. Mr. HUGESSEN: Outside territorial waters.

Hon. Mr. GOUIN: Outside of Canada and the United States and the territorial waters thereof. I think that practically all men in the Navy have been outside our territorial waters.

Hon. Mr. HUGESSEN: Exactly.

Hon. NORMAN McL. PATERSON: Honourable senators, I should like to take a brief moment to call attention to one matter which is not covered by this Bill. I happen to be connected in one way or another with the St. John Ambulance Association and the Canadian Red Cross Society. The St. John Ambulance Association has sent overseas at its own expense quite a few of its members, and the Red Cross Society in many cases has sent over its personnel without pay. The members of those two bodies are not covered by this legislation, and while perhaps provision cannot now be made for them I should like it to go on record that Canada is greatly indebted to those persons who have given of their time and effort, and in London have risked their lives, in the discharge of their duties. This morning I had the privilege of reading some letters of acknowledgment of the excellent services rendered by the personnel of these two organizations. They have rendered valuable services every day of the week in looking after the comfort of our men on active service. It may be that Canada will find some way of showing its appreciation of those services; but for the present it can only be expressed in words.

I should also like to say that while to us five or six years in the life of our young men overseas may not seem a great length of time, and we may feel that in giving them gratuities we are doing something, we are by no means discharging all our indebtedness, and we shall have to exercise the fullest degree of toleration and patience in assisting these young men to re-establish themselves.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. PATERSON: Many of them were in their first year at college. After six years overseas they will not feel like resuming their interrupted studies, and they will need all the help we can give them.

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

REFERRED TO COMMITTEE

Hon. Mr. KING: After the lengthy and clear explanation of this Bill which the honourable senator from Inkerman (Hon. Mr. Hugessen) has given us, I should be inclined to ask for third reading now; but as the Minister informs me that he has an important amendment to make to the Bill, I would move that it be referred to the Standing Committee on Banking and Commerce.

The motion was agreed to.

CANADIAN AND BRITISH INSURANCE COMPANIES BILL

FIRST READING

A message was received from the House of Commons with Bill 185, an Act to amend the Canadian and British Insurance Companies Act, 1932.

The Bill was read the first time.

SECOND READING

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

He said: Honourable senators, this short Bill is for the purpose of broadening the class of securities in which our insurance companies doing business in the United States may invest their funds. This amendment will permit them to invest their funds in:

—bonds or notes secured by mortgages or hypothecs on real estate or leaseholds which mortgages or hypothecs are insured by the Federal Housing Administrator of the United States of America.

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.

SITTINGS OF THE HOUSE

Hon. Mr. KING: I should like to inform honourable members that when we complete our business I will move that the Senate do stand adjourned until Wednesday, January 31, 1945, at 3 o'clock in the afternoon. The adjournment, of course, will be subject to the resolution passed earlier in the session whereby his Honour the Speaker is empowered, if necessity arises, to summon us at an earlier date. This is simply notice of a motion that will be moved later.

Hon. Mr. WHITE: Can the Honourable the Leader give us any information as to when we may expect to adjourn?

Hon. Mr. KING: I am hopeful that his Honour the Speaker will have some information for us when we meet at 3 o'clock. It is expected that we will adjourn this afternoon or this evening, and in view of the progress made I believe that expectation will be realized.

Hon. Mr. MURDOCK: Is the Committee to meet now?

Hon. Mr. KING: Yes.

The Hon. the SPEAKER: Honourable senators, I have received information from Rideau Hall that there will be a Royal Assent to certain Bills at the termination of the work of the session, and that the hour will be announced later this afternoon. As was indicated by the Leader of the Government, when I am in possession of exact information I shall communicate it to the House.

At 1 o'clock the Senate took recess.

The Senate resumed at 3 p.m.

WAR SERVICE GRANTS BILL

REPORT OF COMMITTEE

Hon. W. H. McGUIRE: Honourable senators, the Standing Committee on Banking and Commerce, to whom was referred Bill 184, an Act to provide for the payment of war service gratuities and for the grant of re-establishment credits to members of His Majesty's Forces in respect of service during the present war, have in obedience to the order of reference of the 12th of August, 1944, examined the said Bill and now beg leave to report the same with following amendment:

Page 7, lines 8 and 9. For clause 25 substitute the following:

25. This Act shall come into force on the first day of January, 1945, or on any date between the first day of October, 1944, and the first day of January, 1945, as may be fixed by proclamation of the Governor in Council: Provided that nothing in this section shall be deemed to impair any benefits which would have been enjoyed by the members of the Forces or their dependents under the Act if it had come into force on the first day of October, 1944.

The Hon. the SPEAKER: Honourable senators, when shall this report be considered?

Hon. Mr. KING: Honourable senators, as is known to honourable members who were present at the meeting of the Committee on Banking and Commerce this morning, the Minister of National Defence stated that the amendment which has just been read had been agreed upon by himself and the Leader of the Opposition in the other House. Since then the Minister has informed me that he is desirous of having a change made in the amendment. Therefore, I would move that the report be submitted to the Committee of the Whole.

The motion was agreed to.

CONSIDERED IN COMMITTEE AND REPORTED

The Senate went into Committee on the report of the Committee on Banking and Commerce.

Hon. Mr. Sinclair in the Chair.

On the proposed amendment:

Hon. Mr. HUGESSEN: Honourable senators who were at the meeting of the Committee on Banking and Commerce this morning will recall that an amendment was agreed upon, whereby the present clause 25 of the Bill would be replaced by a new clause providing that the Act should come into force on the first of January, 1945, or on any date between the first of October, 1944, and the first of January, 1945, as may be fixed by proclamation of the Governor in Council. And to that amendment there was added this proviso:

That nothing in this section shall be deemed to impair any benefits which would have been enjoyed by the members of the Forces or their dependents under the Act if it had come into force on the first day of October, 1944.

Our Parliamentary Counsel advises us—and I think honourable senators who are members of the legal profession will agree—that this proviso is quite unnecessary; and further, that if it were inserted it would immediately cast doubt upon similar sections that appear in a large number of other bills without such a proviso. Therefore, on the advice of our Parliamentary Counsel and in view of the

wishes of the Minister, as now expressed to us, I move in amendment that this proviso to the amendment submitted in the Committee's report be struck out.

The amendment of Hon. Mr. Hugessen was agreed to.

Hon. Mr. QUINN: Honourable senators, what has happened in this case serves to illustrate the risk that is run when Bills are sent to us from the House of Commons so late that we have to give them a hurried examination. I hope that future Governments —whatever party may be in power—will take a lesson from this incident and see that legislation is sent over here in time to permit of a thorough review by the Senate.

The amendment of Hon. Mr. Hugessen was agreed to.

The amended report of the Committee on Banking and Commerce was reported, and adopted.

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.

BUSINESS OF THE SENATE

Hon. J. H. KING: Honourable senators, as we have completed our business for the present, I would suggest that the House do now take recess until this day at 9 o'clock.

At six o'clock the Senate took recess.

The Senate resumed at 9 o'clock.

Hon. Mr. KING: Honourable senators, it had been hoped that we should be able to proceed with Royal Assent to Bills and then adjourn until January 31 next. That hope is not now possible of realization, and I would therefore move that the Senate do adjourn.

The Senate adjourned until Monday, August 14, at 3 p.m.

THE SENATE

Monday, August 14, 1944.

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

Prayers and routine proceedings.

SITTINGS OF THE HOUSE

On the Orders of the Day:

Hon. Mr. KING: As honourable members are aware, the legislative programme has been completed. We are waiting now for the ordinary or civil estimates, which are still under consideration in the other Chamber. It is hoped that we shall have the Royal Assent this evening, and I would suggest that honourable members be within sound of the bell from 8 to 8.30.

The Hon. the SPEAKER: Honourable senators, I have received information from Rideau Hall that the Royal Assent will be given as soon as the business is concluded.

At 6 o'clock the Senate took recess.

The Senate resumed at 8 p.m.

The Hon. the SPEAKER: Honourable senators, I desire to inform the House that, for reasons we all understand, the hour at which the Royal Assent will be given is still uncertain.

ADJOURNMENT

MOTION

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns, on completion of our current business, it do stand adjourned until Wednesday, January 31, 1945, at 3 o'clock in the afternoon. The resolution adopted on the first day of the session empowers His Honour the Speaker to recall honourable members at an earlier date, in the event of an emergency.

The Hon. the SPEAKER: In accordance with the terms of the resolution just referred to by the honourable leader, the Speaker may, after consultation with the Privy Council, reconvene the Senate at any time deemed necessary.

The motion was agreed to.

The Senate adjourned during pleasure.

(Midnight.)

The sitting was resumed.

APPROPRIATION BILL No. 5

FIRST READING

A message was received from the House of Commons with Bill 186, as Act for granting to His Majesty certain sums of money for the public service for the financial year ending the 31st March, 1945.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

He said: Honourable senators, it is not customary for us to debate the annual appropriation. The amount asked under this Bill is $161,899,849.17, which represents seven-twelfths of the total appropriation for the year. Five-twelfths have already been passed and assented to.

Schedule B of the Bill covers supplementaries amounting to $21,459,077.59, to meet the requirements of various departments of Government for the year.

I move the second reading of the Bill.

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

THIRD READING

Hon. Mr. 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, dated August 14, 1944, acquainting him that the Honourable Thibaudeau Rinfret, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber to-morrow at 12.15 a.m. for the purpose of giving the Royal Assent to certain Bills.

The Senate adjourned during pleasure.

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

An Act for the relief of James Russell Popham.

An Act for the relief of Norma Segal Katz.

An Act for the relief of Harold Almond Jelley.

An Act for the relief of Josephine Kurys Kulczycki.

An Act for the relief of Shirley Harte Harvey Payne.

An Act for the relief of Pearl Anneta Benn Russell.

An Act for the relief of Joseph Adélard Paul Bégin.

An Act for the relief of Eugène Charron.

An Act for the relief of Lillian Bessie Noall Salmon.

An Act for the relief of Joan Helen Gorham Glover.

An Act for the relief of Elsie Hollingsworth.

An Act for the relief of Louis Joseph Jules Laurencelle.

An Act for the relief of Freda Altman Scheien.

An Act for the relief of Ivan Walter Moore.

An Act to amend the War Exchange Conservation Act, 1940.

An Act to amend the Judges Act (Annuities).

An Act to amend the Dominion Succession Duty Act.

An Act to amend the Criminal Code.

An Act for the support of the prices of agricultural products during the transition from war to peace.

An Act to amend the Aeronautics Act.

An Act respecting a certain Tax Convention between Canada and the United States of America, signed at Ottawa, in the Dominion of Canada, on the eighth day of June, 1944.

An Act to amend the Special War Revenue Act.

An Act to amend the Civil Service Superannuation Act.

An Act to amend the Customs Tariff.

An Act for the support of the prices of fisheries products during the transition from war to peace.

An Act to provide for the insurance of veterans by the Dominion of Canada.

An Act to amend the Canadian Broadcasting Act, 1936.

An Act to change the name of the Discount & Loan Corporation of Canada to Personal Finance Company of Canada.

An Act to provide for family allowances.

An Act to incorporate the Export Credits Insurance Corporation and to promote the revival of trade by the provision of Dominion Government guarantees to encourage exports from Canada.

An Act to amend the Income War Tax Act.

An Act to amend the Excess Profits Tax Act, 1940.

An Act to incorporate Workers Benevolent Association of Canada.

An Act for the relief of Everett Roy Clow.

An Act for the relief of Elmore MacLean MacKay.

An Act for the relief of Ruth Usher Garson.

An Act for the relief of Albert Daniel Joseph Doherty.

An Act for the relief of Rosie Vogel Blatt.

An Act for the relief of William McKenzie White.

An Act for the relief of Zoe Irene McFarland Craig.

An Act for the relief of George Henry Olaf Rundle.

An Act for the relief of Ruby Violet Gainsford Moorhead.

An Act to promote the construction of new houses, the repair and modernization of existing houses, the improvement of housing and living conditions, and the expansion of employment in the post-war period.

An Act to encourage the provision of intermediate term and short term credit to farmers for the improvement and development of farms, and for the improvement of living conditions thereon.

An Act to incorporate the Industrial Development Bank.

An Act to amend the Canadian and British Insurance Companies Act, 1932.

An Act to provide for the payment of war service Gratuities and for the grant of reestablishment Credits to Members of His Majesty's Forces in respect of Service during the present War.

An Act respecting banks and banking.

An Act to amend the Quebec Savings Banks Act.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

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 Wednesday, January 31, 1945, at 3 p.m.

THE SENATE

Wednesday, November 22, 1944.

The Senate, having adjourned until Wednesday, January 31, 1945, was summoned in accordance with the provisions of the resolution adopted by the Senate on the 27th day of January last, and met this day at 2 p.m., the Speaker in the Chair.

Prayers.

OVERSEAS REINFORCEMENTS

EMERGENCY SITTING

The Hon. the SPEAKER: Honourable senators, on the 27th of January last, on motion of Hon. Senator King, seconded by Hon. Senator Ballantyne, it was ordered:

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.

Pursuant to this Order, on November 17, 1944, after consultation with the Government and the leader of the Government in the Senate, I issued to all senators the following notice:

In pursuance of the Order of the Senate of January 27, 1944, it is my opinion that the Senate, which was adjourned on August 14, 1944, to January 31, 1945, should meet prior to the time set forth in the motion for such adjournment, and you are hereby notified that the Senate will meet on Wednesday, November 22, 1944, at 2.00 o'clock in the afternoon to transact its business as if it had been duly adjourned to that day and hour.

Thomas Vien,
Speaker of the Senate.

In conformity with this Order of the Senate and with the notification sent out to all honourable senators, the Senate is now convened and can properly discharge its functions.

Hon. J. H. KING: Honourable senators, in summoning the Senate to assemble at this time His Honour the Speaker has exercised the right and the power granted to him by the Senate early in the session. I was in Vancouver when the Government in its wisdom decided that it would be in the interest of the public life of this country that Parliament should be convened. The Prime Minister, in speaking to me, asked me as leader of this Chamber what would be the disposition of the Senate with regard to our meeting. As honourable senators know, the resolutions passed in the two Chambers which permit of their being summoned at a date earlier than that stated at the time of adjournment, are separate and independent, so we are governed by our own resolution and our own initiative as to when we shall meet. I felt there would be nothing on our Order Paper that would require a meeting of the Senate at this time, and little, if anything, coming from the other place that would be capable of decision— I say decision, not discussion—in this Chamber. Of course, when Parliament meets one never knows whether any measure or measures will be introduced, so there was the possibility of legislation which would require consideration by honourable senators before it could become law.

After weighing these matters carefully and considering also the probability that we as a branch of Parliament would wish to be here to-day as a body, so that we might gain information from the discussions and proceedings which will take place in the other House, I decided to take the responsibility of indicating to His Honour the Speaker my feeling that from the point of view of the Senate it was desirable that we should assemble at this time. I was pleased to see later that my honourable friend opposite (Hon. Mr. Ballantyne) was of the same opinion. I had no official communication with him, but I saw a Press dispatch stating he had expressed the view that the Senate should be called. I thought I should make this explanation, for our meeting necessitates a very long journey for some honourable senators, especially those who live on the Pacific and Atlantic coasts and in the mid-West.

As I have intimated, there is no business on our Order Paper. His Honour the Speaker very wisely called our meeting for 2 o'clock to-day, so that we might hear a statement from him and from myself and then adjourn, in order that those who wish may be present at the proceedings in the House of Commons. As I understand it, to-day's sitting in that House will be followed by another important sitting to-morrow. To-day the correspondence that passed between the Minister who has retired and the Government, as well as other correspondence, will be read; it will become a part of the records of that House and will be available for our benefit and information to-morrow. It may be anticipated that there will be an interesting discussion in the Commons Chamber to-morrow, so I intend, with consent of the Senate, to move that when the Senate adjourns to-day it do stand adjourned until Friday at 3 o'clock.

I trust honourable senators will accept that motion, so that we may spend to-day and to-morrow in acquiring the information that will be given in another place and familiarizing ourselves with events that are in the offing.

I will not say more at present, except to repeat the hope that my suggestion will meet with the views of honourable members.

Hon. C. C. BALLANTYNE: Honourable senators, I find myself in perfect accord with the views just stated by the honourable leader of the Government (Hon. Mr. King). The only regret I have to express at this time is that this branch of Parliament was not summoned at the same time as the other House, for many senators who live at a great distance from Ottawa must have experienced more or less hardship in securing travelling accommodation on short notice.

The honourable leader of the Government was fully justified in consulting with the Prime Minister and recommending to His Honour the Speaker of this House that the senior branch of Parliament be summoned. As all honourable senators know, at the present time we are in the midst of probably one of the greatest crises through which the world has ever passed. Our troops have so far played a magnificent part in the war, and the debate in another place, and eventually here, will be on the question of reinforcements. A number of honourable members who came to the Senate before I did were here during the last war, and in our debate their experience will be of the greatest value. Of course, every honourable member's opinion on this important subject will be very valuable.

I also agree with the motion, which the honourable leader is about to move, that this House adjourn until Friday next. By adjourning until Friday we shall have an opportunity of attending at another place this afternoon and hearing read the letters that have passed between the Prime Minister and the former Minister of Defence, and we shall be able to acquire further information to-morrow, so that when we reassemble we shall be in a much better position to carry on our debate, which I trust will be a fair and fruitful one.

I should like to inquire from the honourable leader if all the honourable members who are present here are likely to get accommodation in the Senators' gallery of the other House.

Hon. Mr. KING: His Honour the Speaker, in consultation with the Speaker of the House of Commons, has arranged that in addition to our own gallery in that House the gallery opposite will be reserved especially for senators. I believe honourable members will agree that those two galleries should afford us sufficient accommodation. I do not know what may come out of the discussion in the House of Commons to-day or to-morrow; but should Parliament require information of a character that can be disclosed only in secret session, members of the Senate will have the privilege of being present.

Hon. Mr. BALLANTYNE: Do I understand that there is to be a secret session?

Hon. Mr. KING: I do not know. It will depend on what develops in the other House. His Honour the Speaker made the arrangements, and perhaps he will tell us what provision has been made for our accommodation.

The Hon. the SPEAKER: Honourable senators, the leader of the Government (Hon. Mr. King) has just stated the position. This morning, anticipating a considerable attendance of honourable members of this House, and knowing that the Senators' gallery of the House of Commons has only twenty-eight seats, after consultation with the leader of the Government I proceeded to the office of the Speaker of the other House, the Honourable Mr. Glen, who was kind enough to arrange that the Officials' gallery of the Commons, which is directly opposite our own, be reserved for honourable senators. These two galleries will give us fifty-eight seats. I believe that this accommodation will be adequate for the time being, as both galleries are reserved exclusively for honourable senators. If honourable senators desire accommodation for any members of their families, they should make application, through our Clerk, to the Sergeant-at-Arms.

The Senate adjourned until Friday, November 24, at 3 p.m.

THE SENATE

Friday, November 24, 1944.

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

Prayers and routine proceedings.

THE LATE SENATOR TURGEON

TRIBUTES TO HIS MEMORY

Hon. J. H. KING: Honourable senators, it is with very deep regret that I officially advise the House of the passing of one of our most honoured and noble colleagues, Senator Turgeon, at his home in Bathurst on Saturday last. Senator Turgeon was born at Levis,

Quebec, in 1848. He attended the seminary at Quebec, and graduated from Laval University with the degree of Bachelor of Arts. As a young man he migrated from the province of Quebec to New Brunswick, and settled in the town of Bathurst. By profession he was a journalist, and in 1927 he published his memoirs, a tribute to the Acadian race. For this publication he was honoured by the French Academy, which made him the recipient of a gold medal.

Our late colleague had a long career as a public man in the province of New Brunswick and in the federal field. He was one of a group of young men who entered public life in New Brunswick shortly after Confederation. In 1874 and again in 1896 he was a candidate for the House of Commons, and although defeated in those two elections he succeeded in gaining a seat in 1900. He enjoyed the confidence of his constituency from that year until 1921, having been re-elected in the general elections of 1904, 1908, 1911, 1917 and 1921. During this period, as I say, he was associated in public life with a group of young men, and I think it only fair that I should mention the names of some of them, for although we are getting old, our boyhood memories of them still live. I would refer to such men as Sir George Foster, Andrew G. Blair, H. R. Emmerson, Mr. Alward, Sir Douglas Hazen and L. P. Farris—and if you will permit me, I should like to couple with their names that of my father. Although these men were not all of the same political stripe, they held one another in very high respect, and I know that the late senator was admired and esteemed by the other members of this group, regardless of differences of opinion on public matters.

Senator Turgeon was a strong party man; he maintained at all times the principles for which he stood; but I think that all who were associated with him will agree that he was a man of wide tolerance, always ready to listen to the other side of any public question. He apparently instilled into his children, or at least into his two sons, a political instinct. This they developed in the West. I refer to Hon. W. F. Turgeon, a former member of the Supreme Court of Saskatchewan and now Minister Designate to Belgium, and to Mr. Gray Turgeon, formerly a member of the Alberta Legislature and now a member of the House of Commons.

Although Senator Turgeon was by profession a journalist, I think we might say that ever since his first entrance into public life, in 1874, he devoted his time principally to public affairs and the interests of his people.

At this time I should like to extend to Madame Turgeon and the members of her family in their sad bereavement, the sincere sympthy of the group on this side of the Chamber.

Hon. C. C. BALLANTYNE: Honourable senators, the late Senator Turgeon served his province and Canada faithfully and loyally in both Houses of Parliament for over forty years, and has left a record of achievement that it would be well for the youth of Canada to try to emulate.

It was gratifying to his friends that throughout his ninety-eight years he enjoyed good health, and that he retained all his faculties until within a few days of his passing.

Senator Turgeon naturally took great pride in the achievements of his talented sons, one being the Canadian Ambassador, first to Mexico and now to Belgium, and the other a distinguished member of the House of Commons. Undoubtedly they will follow in the footsteps of their illustrious father and at all times give of their best in furthering the interests of Canada.

I join the honourable leader opposite in expressing our deepest sympathy to Madame Turgeon and all the members of the family in their great bereavement.

Hon. W. E. FOSTER: Honourable members, I wish to associate myself with the honourable leader of the Government (Hon. Mr. King) in his expressions of regret at the passing of my friend and desk-mate, Senator Turgeon. As our leader said, the late senator had a distinguished career in the public life of this country, and as I listened my thoughts turned to the long and happy association which I enjoyed with my desk-mate in the many activities of his career in the province of New Brunswick, from which we both come.

Senator Turgeon was a man of many sterling qualities of heart and mind. He had an attractive personality and always enjoyed giving a humorous touch to lighten the discussion of serious matters.

The honourable leader referred to the various elections in which our late colleague engaged from time to time. Many members of this Chamber have something more than a dim memory of the election of 1917. It is worthy of note that Senator Turgeon, possessing the qualities which have been referred to, had the unique distinction and the signal honour of being returned to the House of Commons in that election.

Hon. Mr. KING: By acclamation.

Hon. Mr. FOSTER: Before I became a member of this Chamber it was my privilege to have something to do with conducting the affairs of the province of New Brunswick.

As honourable senators are aware, in affairs of government questions of a troublesome character sometimes arise, and can best be settled in a spirit of compromise. When confronted with such questions I always sought the wise advice of my friend and late colleague, and by acting on it was successful in bringing about an arrangement satisfactory to all concerned. Senator Turgeon was tolerant and broad in his views. His admirable qualities won the confidence and affection of his associates, and the admiration and respect of political friend and foe alike.

The honourable leader has referred to Senator Turgeon's sons. The late senator took great pride in his family and was fond of discussing the careers of his sons. It was a source of keen enjoyment to him that those sons so greatly distinguished themselves in the judiciary and in the diplomatic service of Canada. Personally, I very much regret the passing of our colleague, and this tribute is my way of saying good-bye to my one-time desk-mate, counsellor and friend.

Hon. A. J. LEGER: Honourable senators, I share the sentiments of those who have paid tribute to the late Senator Turgeon. My long acquaintance with him ripened into a friendship which I shall always cherish. Senator Turgeon was proud of his country and attached to his compatriots. He was above all a great Christian, and as such, perhaps, will be best remembered by those who knew him intimately.

To all those who mourn his passing I extend my sincerest sympathy. His passing is a distinct loss to his province and to the country at large.

OVERSEAS REINFORCEMENTS

CLARIFICATION OF ORDER IN COUNCIL

On the Orders of the Day:

Hon. C. C. BALLANTYNE: Honourable senators, on the Orders of the Day I crave your indulgence for a short time in regard to a matter of great urgency with which all honourable members are familiar—the immediate necessity of further reinforcements being sent overseas. I do not intend to make a speech, nor to open a debate on the question, because I have agreed with the honourable leader of the Government that it would be wise for all honourable members to await the speech of the Prime Minister—which I understand he is to deliver on Monday next—as well as the speeches of other members of the House of Commons. Furthermore, the honourable leader opposite has informed me that it is his intention at a later period of this sitting to move that when the House adjourns to-day it do stand adjourned until Tuesday night at 8 o'clock.

I am, however, confused in regard to the very important Order in Council which the Prime Minister placed before the House of Commons yesterday, and I rise to ask the honourable leader to clarify the situation. That Order in Council gives authority to send 16,000 N.R.M.A. men overseas. I am confused to this extent. As reported in the press, in Parliament yesterday the Prime Minister made the following statement:

> Prime Minister King said last night in the Commons there was apt to be confusion in the public mind on the status of men who will move overseas following authorization to conscript 16,000 draftees for service overseas.
>
> He said he would seek to put the position simply by saying that if there were 1,000 men called under the National Resources Mobilization Act in a camp and none volunteered they still would be N.R.M.A. men a week from now. But if some volunteered they would become general service men.
>
> "If those general service men are sent overseas the public may assume that they are other than the N.R.M.A. men of to-day. But they would not be, they would be exactly the same men."

Is Parliament to understand, according to the Prime Minister, that all General Service enlistments are N.R.M.A. men? If so, is it the intention of the Government to send the N.R.M.A. men who have been in training for years—like those of the 6th Division at Vancouver, for instance—and who have had not only infantry basic training but, having seen service in the Aleutians, battle training as well? Is it the intention of the new Minister of National Defence, General McNaughton, to exercise the authority given him by Parliament, in view of the urgent need for reinforcements, and send N.R.M.A. officers and men who are highly trained and have been in the service for years, or will he send only those who volunteer—some fully trained and others not—and refrain from exercising his authority to draft N.R.M.A. personnel who have been enlisted for years and are highly trained?

I should be very much indebted to the honourable leader of the Government if he could clarify this situation and make it intelligible to me.

Hon. J. H. KING: Honourable senators, I had hoped—in fact, I think my honourable friend and I had considered it advisable that we should wait until the proceedings in the other House had continued for a somewhat longer time before a statement was made here. I can well understand, though, why my honourable friend has made an inquiry to-day, for this morning on looking at a couple of newspapers published in two

of our great cities, it seemed to me that their editorials and front pages clearly indicate a desire and an attempt to confuse the public with regard to the Government's policy at this time. But my honourable friend and the public will have no confusion in their minds if they will read fairly the statement of the Prime Minister and that made in another place yesterday by General McNaughton, the Minister of Defence.

It is well-known in Parliament and throughout the country that the Government of the day went into this war with the desire of an all-out effort by the people of Canada. In that respect the Government has had absolute compliance by the people. One has reason to be proud of the young men and women of this country when he looks around and sees that some eight or nine hundred thousand, realizing their duty, have voluntarily enlisted in the armed forces. But it is well-known to honourable members of this House and to the people generally that for some time there has been a studied attempt to frustrate the Government's effort to get overseas-service volunteers from men called up under the National Resources Mobilization Act.

When Colonel Ralston, the then Minister of Defence, returned from overseas in October and reported that among the infantry casualties had been greater than were anticipated, the Government was assured that men were ready to enlist to make reinforcements available. Unfortunately the casualties suffered by our infantry brigades were heavy, and it developed that in the coming year there would be a shortage of personnel for replacements. That was the situation that the Government had to consider.

Now, is there any variation in the policy of Mr. Mackenzie King? In 1942, when the amendment to the National Resources Mobilization Act was passed, he said that men would be sent overseas as occasion required, and the Order in Council that I have just tabled provides the requirements asked for by the Department of National Defence. The Department has said that some 16,000 men are needed to form a pool to meet needs that will arise after the New Year, and this number of men will be dispatched overseas as rapidly as transportation can be obtained for them. Needless to say, I cannot advise honourable members what the Admiralty will be able to do in the way of furnishing ships, nor when ships will sail, but I say to honourable members that they can be satisfied in their minds that as soon as it is possible to make the necessary transportation arrangements the Department of National Defence and the Minister will see that these men are moved forward to their stations in Great Britain, there to form a pool from which they will be transferred to the various war sectors as required. There should not be any misunderstanding about this.

I do not intend to speak at greater length now. I just want to add that any fair-minded man who reads impartially this morning's editorials in the two newspapers I have mentioned, will realize that these editorials were published with the idea of embarrassing the Government in its war effort. I have no hesitation in making this statement, for it is true. The Senate was called early enough this afternoon to enable us to adjourn in time to go to the other Chamber and listen to the continued cross-examination of the Minister of National Defence, General McNaughton. On Tuesday evening I shall be glad to speak on the Government's policy as it has been outlined and is now being outlined in another place, and at that time the policy can be criticized or debated. I am not prepared to go on to-day.

I can assure my honourable friend that it is the Government's intention to carry out the Order in Council passed yesterday, which provides for sending overseas 16,000 men who are already trained. Some 10,000 of these will be ready to go into action very soon, and some 6,000 will require a little more training. These men will be moved to depots in England, and from there to the war front.

That is all I have to say at present; but, as I have already said, on Tuesday evening I shall be pleased to speak on this matter at greater length.

Hon. Mr. BALLANTYNE: Honourable senators, may I intrude once more? My honourable friend has not clarified my mind nor answered the direct question that I asked. The Prime Minister said that all N.R.M.A. men were General Service men. The question I asked was this: When this law is enforced and compulsion used, will men who have been in the Army for years be conscripted first and the newer men, with less training, be called later on?

Hon. Mr. KING: My honourable friend is not really acting fairly. General McNaughton is a good soldier and is aware of the Army's requirements. My honourable friend knows that General McNaughton will select for overseas service the trained men who are available in Canada, not under-trained men. You can take the Minister's assurance for that; he said so in the House of Commons yesterday. No one has a right to assume for a moment that there will be any variation in that policy.

Hon. Mr. MURDOCK: If my honourable friend opposite will look at page 6709 of yesterday's report of proceedings in another place, he will find the answer to his question.

Hon. Mr. HAIG: Read the answer that General McNaughton gave to Mr. Green.

Hon. Mr. BALLANTYNE: We do not want to get into a general debate until Tuesday evening. The new Minister of National Defence, General McNaughton, has always been in favour of voluntary enlistment, and he said yesterday in the House of Commons that he still is. Therefore I was apprehensive that from among the N.R.M.A. men he would send overseas first those that volunteered.

Hon. Mr. KING: Oh, no.

Hon. Mr. MURDOCK: Honourable members will find this in the report of yesterday's proceedings in another place, at page 6709:

Mr. Brooks: Will this 5,000 for the first month be taken entirely from N.R.M.A.?

That is, for December.

Mr. McNaughton: Substantially, yes.

Mr. Hanson (York-Sunbury): You said "all", this afternoon.

Mr. Brooks: Will any volunteers be taken in that first five thousand?

Mr. McNaughton: I cannot answer the question yet.

Hon. Mr. KING: We know that a certain number of volunteers have been eager to go overseas, but have not been permitted to do so because of their work at training centres. This group is relatively small. The men sent over will be already trained.

ADJOURNMENT

Hon. Mr. KING: I move that when the House adjourns to-day it do stand adjourned until Tuesday evening next, at 8 o'clock.

The motion was agreed to.

The Senate adjourned until Tuesday, November 28, at 8 p.m.

THE SENATE

Tuesday, November 28, 1944.

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

Prayers and routine proceedings.

OVERSEAS REINFORCEMENTS

SENATE PROCEDURE

Hon. J. H. KING: Honourable senators, when the Senate adjourned last Friday I intimated to my honourable friend the leader opposite (Hon. Mr. Ballantyne) that to-night I would make a statement on Government policy in relation to the question which is now under consideration in the other House. Of course, there being no motion on the Order Paper, I could do so only with unanimous consent. As honourable members are aware, it is not customary in this Chamber to move a vote of confidence or of non-confidence in the Government. However, the question now engaging the attention of the other House is of great public interest, and I believe honourable senators should be afforded full opportunity to express their views on it. I do not intend to give notice of a motion that would lead to a debate, but I hope that in conference with the honourable leader opposite and His Honour the Speaker some formula can be worked out which will afford honourable senators full opportunity for discussion.

As an important session is in progress in the other Chamber, doubtless honourable members would prefer that we adjourn now. I would move, therefore, that when the House adjourns to-day it do stand adjourned until to-morrow evening at 8 o'clock.

The motion was agreed to.

The Senate adjourned until to-morrow at 8 p.m.

THE SENATE

Wednesday, November 29, 1944.

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

Prayers and routine proceedings.

Hon. Mr. KING moved that the Senate adjourn during pleasure, to reassemble later this evening at the call of the bell.

The motion was agreed to.

The Senate adjourned during pleasure.

The sitting was resumed.

OVERSEAS REINFORCEMENTS

SENATE PROCEDURE

Hon. J. H. KING: Honourable senators, if I may be permitted, I should like to add to what I said previously in regard to the Senate being summoned at this time. When I consulted His Honour the Speaker about the advisability of his exercising the power granted to him early in the session to call an emergency sitting of the Senate, I had in mind

that legislation might reach us from the House of Commons. During the last few days we have availed ourselves of the courtesy extended to us by that House. We have listened to the very important debate in progress there, and it is now apparent that nothing will come to us from that quarter. However, some enactment necessary to adapt Government policy to present circumstances, or prorogation, was a possibility, and in either event it would, of course, have been necessary to convene the Senate. I realize my responsibility in having asked for this emergency session, and I feel that I should have failed in my duty had I not given you the opportunity of assembling here at this time.

There is no business now before the House. The important question under discussion in the Commons will not come to our notice in the form of a bill. If we are to discuss that question we can do so only by unanimous consent, because I do not think it would be advisable to give the forty-eight hours' notice required under our rules for that purpose. I repeat what I said yesterday, that it is not customary for this Chamber to move a vote of confidence or of non-confidence in the Government. To do so would be very bad practice and certainly not in the public interest, for when a Government is defeated on an appeal to the country, there is usually in this Chamber a majority adverse to the incoming Government. Though I have not placed a motion on the Order Paper, any member, of course, has the right to bring the matter before the Chamber if he wishes, and can do so by moving the adjournment of the House and beginning a debate on that motion.

In conference with His Honour the Speaker and my honourable friend the leader opposite (Hon. Mr. Ballantyne), it was suggested that we might follow the practice that has been adopted in England during wartime. I understand that there, if it is deemed necessary to call a special session of Parliament, the leader of the Government is not required to give any notice before proceeding to announce the Government's policy. After he concludes his statement, the Speaker indicates that it would be fair and wise to hear the leaders of other groups in the House on the matter the Government has presented. I believe that is the limitation placed on the procedure. If it is desired to have a discussion in this House, I should like to make a few remarks, and I should probably be followed by the honourable leader opposite. Then, with the concurrence of the Senate and His Honour the Speaker there would be an opportunity for every honourable member who so wished to take part in the discussion.

If that procedure is agreeable to the House, I would ask leave to speak to-night, or, considering the lateness of the hour and the fact that honourable senators have been listening to speeches all day, I would suggest, subject to your approval, that I postpone what I have to say until to-morrow, and that we adjourn shortly to resume at 2.30 to-morrow. I say 2.30 because I believe there is a feeling abroad —I have no knowledge of any foundation for it—that the debate in the other House may not continue at great length, but may be concluded on Friday. If we met early to-morrow there probably would be time by Friday to permit every honourable member who desires to do so to take part in the debate, and our sittings could be adjourned that day if that were considered advisable. The decision as to when we should adjourn can be made to-morrow or the next day, in the light of circumstances at that time. So with the consent of the Senate I would ask that we adjourn now, and that I be allowed to go on to-morrow afternoon at half past two.

Hon. JOHN T. HAIG: Honourable members, I am sorry that the honourable leader on this side (Hon. Mr. Ballantyne) is not present, although I am aware of what has gone on. I am happy, as I am sure all on this side of the House are, to agree with the suggestions just made by the honourable leader of the Government. We shall give every facility to not only the leaders on both sides, but every other honourable member who may want to discuss the matter that is now before Parliament. If I may say so, it seems to me that the procedure suggested by the honourable the leader opposite, as a result of his conference with His Honour the Speaker and the honourable leader on this side, is very wise. I think it is a good tradition. I entirely agree with the honourable leader that we should not vote either one way or the other on a motion of confidence.

Hon. Mr. MARCOTTE: We have no right to.

Hon. Mr. HAIG: I know we have no right to, and I say that we should not contemplate it, even if we had the right. I agree entirely with the leader in that respect. His suggestion that we meet to-morrow at 2.30 also strikes me as a good one. After the leaders on both sides have spoken, every other honourable member who wishes to speak should be permitted to do so. We still ought to be able to finish on Friday without any difficulty.

The Senate adjourned until to-morrow at 2.30 p.m.

THE SENATE

Thursday, November 30, 1944.

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

Prayers and routine proceedings.

OVERSEAS REINFORCEMENTS

POLICY OF THE GOVERNMENT

Hon. J. H. KING: Honourable senators, before proceeding with the few remarks that I have to make I should like to confront and challenge a group of persons who by the written and the spoken word have maliciously endeavoured to misrepresent the Prime Minister, to the public as one who is weak and vacillating and given to side-stepping public issues. They have sought constantly to becloud his two outstanding characteristics—extreme patience and constancy of purpose, characteristics that are essential to a great leader, particularly in time of war or national crisis. It is amazing to find that there are persons who would endeavour to influence the public mind by petty personal attacks on a great public man. True, virile public men who give strong leadership are subject to attack; a government led by a strong man must expect to be attacked; but the attacks to which I am objecting are personal and unwarranted.

Surely a statesman who has led one of our great political parties for twenty-five years, and has held the position of Prime Minister for nineteen years, cannot be considered weak and vacillating, for it must never be forgotten that many grave problems have confronted the Government in the course of the great changes which have taken place as Canada has become an independent nation. In 1939 the Prime Minister secured virtually the unanimous consent of Parliament to a declaration of war against Germany—a declaration signed by the King of Canada, George VI of England. The Prime Minister could not be charged with weak leadership in the vigorous action he took at that time to bring this country wholeheartedly to the support of the Allied nations.

Since then Canada's war effort has been magnificent, and will go down in history as outstanding in its scope and success. I would refer to the Ogdensburg conference and to the Hyde Park agreement. The matters discussed and settled at that conference and in that agreement had to do with providing facilities and opportunities to enable Canada to bring about a full war effort at that time.

I need refer to only one other conference, held in Great Britain a few months ago, when the Prime Ministers of the great dominions within the Commonwealth met with the Prime Minister of Great Britain and decided there should be a declaration of policy as between Great Britain and the component parts of the Empire. The representations made at that conference by the Prime Minister of Canada were accepted not only by the Prime Ministers of the dominions but by the great Prime Minister of Britain, and at the conclusion of the conference the speech made by Mr. Mackenzie King in the halls of Westminster was one that rang out around the world and placed him in the forefront as a world statesman.

I think it only fair that I should say that. I know it will not cause offence to be taken in this body, for here we admire great men, no matter what their political beliefs may be. If they represent their political beliefs fairly, we in this House are satisfied to give them credit and to regard them in their proper light and character.

There is danger that the arousing of public sentiment in wartime, and especially at a time of crisis, may sway the judgment of leaders, if they are not strong. If public agitation is serious enough, sentimental considerations may overrule those of reason in the handling of very important questions. To illustrate that point I need only refer to what happened in Great Britain in 1942 and 1943, when a considerable section of the press of that country and a number of men in public office, in Parliament, tried to influence the Government led by Mr. Churchill to open a second front, charging that if a second front was not then opened the Allies would lose certain advantages. The public mind became inflamed and there were parades through the streets. But I think it will be conceded that if Mr. Churchill had been weak and vacillating, if he had been swayed by public sentiment and had opened a second front at that time, we probably would have lost the war, for it has since been proved by experience, as we now know, that many weeks and months of planning and work had to be done before the Allied Governments were able to assemble a force that could successfully invade the continent of Europe. I cite that merely to illustrate my point that in times of stress and crisis, our leaders must be careful not to be carried away by an inflamed public opinion.

We are again met on what I had hoped, and I think public men as a whole had hoped, would not be an issue in Canada at this time. It is generally conceded that Canada not only has served in a magnificent way on the battlefields of the world, but has made a tremendous

industrial contribution to the war effort. In every activity of life making for the success of the war, our people have performed a task that was inconceivable when the war started. I am speaking of what has been done by men and women on the farm and in the factories. Many a farmer has been deprived of the assistance of his son or sons and has had to carry on his work with such other help as he could obtain. In countless farm homes and other homes throughout the country the mother has been left alone to take care of her household duties, for her daughters, upon whom she relied before, have gone to work in munitions factories or offices. All the people of Canada are entitled to the greatest praise and consideration for the wonderful effort they have so far made during this war. So it is indeed unfortunate that at this time we should through the stress of circumstances be called here in what may be considered a crisis. Indeed I can assure honourable members it is a crisis.

Conscription is something that British people have never liked. There exists in the world to-day an ideology—happily it is now being defeated—which favours a policy of total conscription, of making the individual subject to the will of the state. It is true that for long the nations of Central Europe, where war was almost constantly imminent, could invoke conscription of manpower whenever war broke out. The morning after war was declared in 1914, a million and a half or two million Frenchmen were at their posts. Why, pray? Because total conscription was the law of that country, as it was of Germany and other European countries. But that was not true of Great Britain, nor of the United States, and it has not been true of the dominions of the British Commonwealth. A matter of this kind has to be considered by every nation. From reading some of our newspapers one would gather that Canada was the only country in the world that had not considered the possibility and the advantages of conscription. That is not so. Every nation that goes to war must consider whether it will or will not invoke conscription of manpower for its fighting forces. As proof of this statement, we have only to look at what has happened elsewhere. Take New Zealand as an example. The people of that country, in their judgment, said, "Yes, we are willing to have our manpower conscripted to fight wherever the Government may send us." In Australia—which, I believe, has no racial problem, for the people are principally of British stock—the question of whether or not there should be conscription of manpower was submitted to the people in a referendum, and the people declared themselves against conscription. Australia to-day has a legal enactment with regard to the conscription of wealth and manpower that is similar to our own—that is, men are called up for home defence, but for overseas service the recruits are volunteers. For an understanding of the situation in South Africa we must look back to the year 1900, when the British overcame the resistance of the Dutch inhabitants of that country. Treaty arrangements were made, and in conformity with British policy of many years standing the people of South Africa were given a liberal charter. In time that country, under the leadership of Prime Minister Botha, who led the Dutch forces in 1900, was granted the constitution of a dominion, and became known as the Union of South Africa. Well, when war broke out in 1939 what was the situation in that great dominion? The Government there no doubt considered the question of whether a greater war effort would be obtained through conscription of manpower or by relying on voluntary effort. We know what the decision was. It was made by the people of South Africa, not by the people of Canada or the people of the United States or the people of Great Britain. The question was decided by South Africans, within their own borders.

Now let me come a little nearer home, to the British Isles. What has been the history of conscription in Great Britain?

Great Britain up to 1916 had depended on voluntary service for both the Navy and the Army. It was only in 1916 when the small but highly-trained British Army had halted the Germans on the Marne that, in view of the scope of the military operations then impending, the British Government considered it necessary to resort to conscription. Honourable members will recall the 900,000 men which Lord Kitchener organized and trained, and their magnificent record throughout the Great War.

But at the conclusion of the war did the British Government say: "It will be necessary to continue conscription and maintain a large army"? No, they returned—unfortunately—to what was more or less a voluntary system of enlistment, and it was only on the outbreak of the present war that they again resorted to conscription.

In Northern Ireland, a part of Great Britain small in area but great in power and prestige, there was a strong agitation for conscription, and public opinion ran high not only there but in Great Britain also in favour of that policy. When the question came before the House of Commons that great statesman, Mr. Churchill, gave the world another instance of his sound reasoning power. He intimated that it would not be in the interest of their war effort to

extend conscription to Northern Ireland. I ask honourable members what influenced him to reach that decision? As honourable members know, at the outbreak of this war Eire was giving Great Britain considerable trouble, and the situation was fraught with dangerous possibilities. Undoubtedly Mr. Churchill had to consider whether compliance with public opinion—a sentimental opinion—would seriously disturb the relationship then existing between his Government and the Government of the Irish Free State. I imagine, too, that he was also taking something else into consideration. At that time the United States was not at war, and in that country there is a strong Irish-American element, as there is in Canada an Irish-Canadian element and in Australia an Irish-Australian element. I have no doubt that he weighed this and the other factors and decided that the application of conscription to Northern Ireland would weaken rather than strengthen Britain's war effort.

I merely mention these matters by way of introduction to the question that we are concerned with to-day. We hear people saying—people who are not reasoning, but merely talking—"Why don't we do as the United States has done—adopt the system of universal military service?" What is the situation in the United States? The American colonies succeeded in their revolt against Great Britain and set up a republic in which is now incorporated one-half of this North American continent. That the highest degree of freedom was enjoyed by its citizens was advertised to the world by the constitution of that republic, and this attracted immigrants from all over the globe. The result is that the population of the United States is truly cosmopolitan in its composition. In view of this fact it is obvious that in the event of war the Government of the United States could not depend upon certain sections of its citizens—some of German, some of Italian, some of Rumanian extraction—to unite in a war effort against the countries of their origin. Naturally such citizens would say, "You are attacking my country, and I will not be a party to it." A moment's reflection must convince one that this situation justifies the policy of the United States in raising military forces.

But I would ask honourable members not to forget that there is also in the United States a large body of citizens of British extraction; and once the war is over the armed forces will be demobilized and conscription will be discontinued. In peace-time the United States maintains a small army of from eighty to one hundred thousand men. Their National Guard is something like our militia. It is called out each year for a short course of training. There is also a group known as organized volunteers, and a cadet branch. All these groups are on a voluntary basis. The officers are trained at the United States Military Academy at West Point, and there are other military academies throughout the country. As I said, the American army in peace-time is an army of volunteers. It was not until the outbreak of war that the American Government again introduced conscription because they concluded that to get the best results in this war they should adopt that policy. I may mention that in the Civil War the North had a form of conscription.

Hon. Mr. GRIESBACH: The United States had conscription in the last war.

Hon. Mr. KING: During the war period.

Hon. Mr. GRIESBACH: During the first Great War.

Hon. Mr. KING: Yes. But as soon as the war was over they returned to the voluntary system. That is the point I wish to make. On the other hand, the countries of Europe have always maintained their armies by conscription.

Now, it is easy to say that in Canada we should have the same army system as they have in the United States, but in my opinion our position is entirely the reverse of theirs. That country was founded by men of the thirteen colonies, British subjects, who revolted and withdrew themselves from the rule of Great Britain. The people of Quebec on the contrary, refused to join in the revolution, and in 1763, when they accepted the treaty signed by General Murray, they became British subjects. During the American revolution French-Canadian soldiers fought side by side with English regiments against the colonies, who wished the French-Canadians to join them in their revolt against England. During the war of 1812 French-Canadian regiments and regiments from Upper Canada fought in engagements all along the border, particularly at Chateauguay, Plattsburg and at Chrysler's Farm, and again in the Fenian Raids French-Canadian regiments helped to repel the invaders. By so doing our French-Canadian compatriots have done much to preserve this country for us. And let me refer for a moment to that great statesman, Sir John A. Macdonald, who with the co-operation of French-Canadian leaders in the province of Quebec was able to bring about Confederation, despite the difficulties encountered with the Maritime Provinces.

In the later stages of the last war the Government, after weighing all the factors,

introduced a conscription law. Some contend that that enactment materially influenced the war picture, while others maintain that it did not.

Hon. Mr. BALLANTYNE: But it did.

Hon. Mr. KING: That is a matter of opinion, and I do not intend to debate it to-day. I do know this, however, that it had a disastrous effect upon one great political party, and I know that later that lesson was taken to heart by its leader. I have only to refer to a statement made by one whom I consider—

Hon. Mr. HORNER: You are considering the political effect now.

Hon. Mr. KING: No, I am not. I am coming to the consideration that that great leader gave to the aftermath of conscription. This is a matter of record. In 1925 Right Hon. Arthur Meighen was leading the Conservative party in the House of Commons. No one would doubt Mr. Meighen's energy and his ability to support a policy in which he believed, and no one would for a moment question his sincerity when as a member of Sir Robert Borden's Government in 1917 he supported conscription in Canada. But the aftermath and its effects upon public opinion in this country were such that he made an important statement upon his view of conscription, a statement that was supported in 1933 or 1934 by a very prominent member of this House, the honourable senator from Vancouver, (Hon. Mr. McRae). In a speech at Hamilton, Ontario, and later on in a speech in Bagot County, Quebec, Mr. Meighen indicated that, so far as he and his party were concerned, if war developed again conscription would not be applied, nor would any Canadian soldiers be sent overseas until the whole question had been referred to the people of Canada. That was his position at that time.

Hon. Mr. BALLANTYNE: Will my honourable friend allow me? I think that Mr. Meighen also said that in the interim full preparations would be made.

Hon. Mr. KING: Preparations in accordance with the laws of the country, under the defence regulations, would of course be carried out. Mr. Meighen said there would be an appeal to the country. He really over-shot the mark at that time. After all, when Parliament assembled in September, 1939, there was no doubt in the minds of members of either House as to the wisdom or advisability of Canada's going into the war. The people of Canada were fully aware that, if Germany succeeded in overrunning Great Britain, Canada would be the chief prize. As a people and a nation we were satisfied in our own minds that if we were to do our part we must declare war.

Now I want to call my honourable friend's attention to the attitude of the Conservative party much later than 1925, when Mr. Meighen expressed the opinion to which I have referred. In 1938 there was a national convention of the Conservative party in the city of Ottawa. The Right Honourable Mr. Bennett, now Viscount Bennett, had resigned as leader of the party and it had become necessary to choose a new leader. I do not know whether there was any strong divergence of view as to the choice of a leader or not, for I was not at the convention. But when Parliament met in September, 1939, Mr. Mackenzie King was Prime Minister and Dr. Manion, as head of the Conservative party, was leader of the Opposition. As honourable members know, other groups were also represented in the other House at that time. Was there a word said that session in favour of conscription? Did any leader or any member have the temerity to suggest that a policy of conscription should be adopted? No. It was not considered then; but later, in the 1940 election campaign Dr. Manion, as leader of the Conservative party proclaimed throughout Quebec and Canada that he and his party were not in favour of conscription. Those are matters of fact, matters of record. Mr. Mackenzie King was returned to office with the largest majority ever given to any Canadian Government, and since that time the war effort of the people of Canada, of her soldiers, her airmen and her sailors, has been unsurpassed by that of the people of any country.

We all realize that in war-time a Government must be prepared to meet whatever exigencies may arise. Although the War Measures Act gave the Government almost any power it could wish to invoke, it was thought wise to pass in 1940 an Act conferring upon the Governor in Council certain powers for the mobilization of national resources. I will read section 2 of the National Resources Mobilization Act of 1940:

> Subject to the provisions of section three hereof, the Governor in Council may do and authorize such acts and things, and make from time to time such orders and regulations, requiring persons to place themselves, their services and their property at the disposal of His Majesty in the right of Canada, as may be deemed necessary or expedient for securing the public safety, the defence of Canada, the maintenance of public order, or the efficient prosecution of the war, or for maintaining supplies or services essential to the life of the community.

The next section was the limiting one:

> 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.

There were no prominent leaders in Canada who at the time of the passage of this Act urged conscription of man-power. But in 1942 the exigencies of war brought about a different picture, because when Japan struck at Pearl Harbor she became the enemy of the United States, of Great Britain and of Canada, and she certainly became a danger and a menace to Canada. At that time operations had progressed so far in Germany's favour that ships were being sunk on both our coasts and in the St. Lawrence river, and Halifax Harbour had been mined by German submarines. These things were known to the people in 1942, and there was a public demand for protection of our coasts and of some areas along the banks of the St. Lawrence river. What was the position of the Government? Our soldiers had gone overseas to Great Britain, the spring-board for operations in Europe. No one will deny that that was the proper place for them to be. It would have been futile and unwise to have started ferrying them back from Great Britain to defend Canada against the menace that had arisen, so the Government introduced an amendment to the National Resources Mobilization Act, repealing section 3, the section I read a few moments ago, which imposed a limitation in respect of service overseas, and men were made available for the defence of Canada. I remember well when we discussed that amendment we had an excellent debate, a reasoned debate, in which honourable members stated their views and convictions. I regard it as one of the best debates I have ever heard in the Senate, and I am satisfied that we are capable of having such a debate again.

An army was built up for home defence, and in time it comprised some 120,000 men. In the debate referred to I expressed the opinion that not only would the army be one upon which we could depend for the defence of Canada, but that it would establish a pool of young men who, once they had become trained in the military art, would offer themselves as volunteers for the larger theatre of war. Did that happen? It did. From the army that was raised for home defence purposes some sixty-odd thousand men have volunteered for service abroad, and many of them are now serving overseas. Let me say here, that I feel it is a terrible thing that the men called up for service should have been given a name that we now hear commonly used. I repeat: It is a terrible thing, and no doubt has done much to affect unfavourably the natural instinct of these men.

When the amendment to the National Resources Mobilization Act was being debated in another place, it was realized by the Government that an occasion might arise necessitating the service abroad of men called up under the Act. The Prime Minister, Mr. Mackenzie King, then said that if it should become necessary, an Order in Council would be drafted to make the men available for service overseas.

When, a few weeks ago, the then Minister of National Defence, Colonel Ralston, returned from overseas, he intimated to the Government that reinforcements would be required for the infantry. He stated that when he assured the House of Commons that full provision had been made to reinforce the Army, he was relying on the estimates of the general staff and of his own staff and believed there would be no occasion to draw upon the forces in training in Canada. However, in the interval the situation had changed, and it was now self-evident that some action must be taken.

Hon. Mr. BALLANTYNE: I am quite sure the honourable leader opposite wants to be fair to the former Minister of National Defence.

Hon. Mr. KING: Very much so.

Hon. Mr. BALLANTYNE: Over and over again in the House of Commons the former Minister of National Defence said that he was counting on the N.R.M.A. for overseas service should an emergency arise.

Hon. Mr. KING: That is true; but as late as last July the then Minister of National Defence was able to give an assurance, based on estimates from his own and from the general staff that there were sufficient reinforcements on hand. There is no reason to becloud the issue. It is true that Colonel Ralston said he was relying on the declaration of policy which had been made, and that if an emergency arose he would depend upon these trained men. There is no disguising the fact that after he had met his colleagues some of them were desirous of going ahead. They felt that surely out of a military organization of some 780,000 men it should be possible to secure 15,000 men for overseas service. I have the warmest regard and the greatest respect for Colonel Ralston. He is a good administrator, and I believe he felt he was acting wisely in recommending that N.R.M.A. personnel be made available for overseas service. But the Government had heard from various sources that these young draftees had been pooled to resist enlistment in order that they might force the Prime Minister to pass an Order in Council making N.R.M.A. men available for overseas service.

Some Hon. SENATORS: No, no.

Hon. Mr. KING: That cannot be denied. It is well known.

Hon. Mr. GRIESBACH: What evidence has the honourable gentleman to substantiate his statement?

Hon. Mr. KING: I will give my honourable friend the evidence that I had just a few days ago, if he wishes to know.

Hon. Mr. BLACK: I should like to know.

Hon. Mr. KING: That is not arguable, it is in the minds of the public. Hundreds of people know that the attitude towards many of those young men has tended to drive them to that state of mind. But there were forty odd thousand in the militia service who had been partially or fully trained as infantry. They were there when Colonel Ralston came back from the front, and I believe they are there to-day.

Hon. Mr. QUINN: Would the honourable gentleman permit me? It seems to me very harsh to say that men were recruited into the Home Defence Army, and were then given instructions to remain there.

Hon. Mr. KING: I did not say they were given instructions.

Hon. Mr. QUINN: That is the impression I got, that those men were asked to join the Home Defence Army, and were then instructed by some of their friends—who, I take it, were opponents of or unfriendly to the Government—to remain there until they were forced by the Government to go overseas. Is my understanding correct?

Hon. Mr. KING: I think there is no doubt—

Hon. Mr. QUINN: It is a rash statement to make without absolute proof.

Hon. Mr. KING: Efforts were made to prevent those young men from enlisting.

Hon. Mr. QUINN: Can the honourable gentleman give the House any evidence in proof of his statement?

Hon. Mr. KING: It is public evidence.

Hon. Mr. QUINN: I should like to have it produced.

Hon. Mr. KING: It was discussed editorially in the press.

Hon. Mr. HORNER: It was just in the minds of a few elderly politicians; that is where you got it.

Hon. Mr. KING: No, no.

Hon. Mr. GRIESBACH: Is this the statement on which the Prime Minister based the charge that his political opponents in the House, meaning thereby the Progressive-Conservative party, had to do with the failure of those young men to enlist?

Hon. Mr. KING: I did not say that.

Hon. Mr. GRIESBACH: Just make that clear, and leave us out of it. Blackguard the other fellows.

Hon. Mr. KING: I am not blackguarding anybody. There were influences at work, not inside but outside Parliament, to hold back those young men from doing their duty as they should have done it when they were required to enlist.

Hon. Mr. QUINN: I cannot believe that. You will have to give us better proof than you have given so far.

Hon. Mr. KING: Go into the training centres and you will find that influence operating. When the people of Canada segregated those men into a group to which they gave an opprobrious name, and so put them in an unfair position, were they assisting to build up the morale of those young men and encouraging them to volunteer and do their duty in the service for which they were trained? That was a situation which had to be canvassed by the Government.

Hon. Mr. BLACK: I do not want to interrupt the honourable leader, but he is making a statement which is unfair to this House unless he clears the skirts of the Progressive-Conservative party. There was no such action by that party.

Hon. Mr. KING: No, there was not.

Hon. Mr. BLACK: There was no action by the Progressive-Conservative party to prevent any man from going to the front. On the contrary, the action of our party was to encourage them to go.

Hon. Mr. KING: I think so.

Hon. Mr. BLACK: I do not like to hear a slur cast on any one group. If you can name the group who did what you are alleging, do so; otherwise withdraw the charge.

Hon. Mr. KING: Hansard will show that my remarks did not apply to my honourable friend's party or to any other party. But I repeat, there have been influences at work in Canada which have tended to undermine the spirit of those young men.

Hon. Mr. HAIG: From what sources?

Hon. Mr. KING: Many sources.

Hon. Mr. HAIG: Does not the Defence of Canada Act require action in the circum-

stances? The Minister should make his information available to the Mounted Police and have the men punished who are guilty of such subversive acts.

Hon. Mr. KING: I say—

Hon. Mr. HAIG: I think that is his duty.

Hon. Mr. KING: We are in a free country. Our people have free range to express their opinions. They may talk as much as they like.

Hon. Mr. HAIG: That is not talking. Your charge is that certain individuals—

Hon. Mr. KING: I did not say individuals, I said influences.

Hon. Mr. HAIG: But there must be individuals behind influences.

Hon. Mr. KING: You have all read it in the press.

Hon. Mr. HAIG: The press has not advocated anything of the kind. I challenge the leader opposite to name one paper that encouraged men in the N.R.M.A. to refrain from volunteering for overseas service. I listened to Colonel Ralston yesterday afternoon and last night, and he did not say anything of the kind. If the honourable gentleman knows of any paper or any individual that has so advised those young men, he should notify the Mounted Police so that they may investigate and, if necessary, lay proper charges.

Hon. Mr. KING: I am not making any charges. I say there were influences abroad to dissuade these young men from volunteering for active service. This is demonstrated by their being segregated and classified as "Zombies".

Hon. Mr. GRIESBACH: Another body of men might be regarded as coming within the leader's description—the staff of all the camps, who from the very beginning sought to influence these men to volunteer. In what you have just said there is a suggestion that those officers have been negligent in their duty. These young men were protected in every conceivable way, they were received with the utmost kindness from the very beginning, and every effort was put forward to persuade them to volunteer. That is why the other day some officers pointed out that nothing more could be done; that everything possible had already been done to secure volunteers.

The Hon. the SPEAKER: Order! May I point out that the honourable leader of the Government should not be questioned without his leave. The debate cannot proceed in an orderly fashion unless the honourable leader is allowed to make his statement without further interruption.

Hon. Mr. KING: I am glad my honourable friend has called my attention to the inference that might have been drawn from my remarks, for I do not want to convey that impression. I do not think that within the army itself influences have been at work to keep these men from enlisting; but I do say certain influences were abroad in Canada which tended to deter these young men from doing their duty.

When General McNaughton accepted the portfolio of National Defence he was fully convinced that he could appeal successfully to certain public bodies and organizations to assist him in bringing these young men to their senses and in persuading them to volunteer. In that, unfortunately, he failed, with the result that the Prime Minister carried out the undertaking which he gave the House of Commons in 1942. Some 16,000 men were required as overseas reinforcements from April to May in order to take care of the estimated casualties and make good the shrinkages in the infantry branch of the service. The Order in Council is explicit. Those men are to go forward as accommodation can be found, and we are assured by the Minister of National Defence that reinforcement pools will be established not only in England but also in the Mediterranean, the Dutch and the French areas.

There is a tendency on the part of some persons to regard that as a limited Order. I would direct the attention of honourable senators to the last paragraph, which covers the situation fully. The Government, recognizing the necessity, have brought in the Order covering the requirements for reinforcements for the next period mentioned in the Order. It is also provided:

> Further, all personnel so dispatched or who may at any time be dispatched are, pursuant to section 64 of the Militia Act, hereby placed on active service beyond Canada for the defence thereof.

There should not be any disagreement over this Order in Council. True, it has caused some disruption in the Cabinet. Two Ministers of opposing views have resigned from the Government, and a new Minister has been appointed. General McNaughton conscientiously believed that he could get the needed reinforcements by a public appeal to certain organizations whose confidence he thought he had. He did not succeed. The Government has declared its policy in the Order in Council, and I do not think I could improve the situation by adding further to my address.

Hon. C. C. BALLANTYNE: Honourable senators, at the outset, let me say that I felt sorry for my honourable friend, the Government leader, as I watched his laborious effort during the last hour to justify the action of the Government in at last imposing conscription for overseas service. He said that the United States had to have a revolution first of all, and then that with its mixed population conscription was necessary for the conduct of war. I do hope he did not imply that there was any necessity in this country for such a dread event.

I intend to speak briefly. We are not here to make political speeches. We are in the midst of a great crisis. The Prime Minister called Parliament for one reason and one reason alone, and that was to consider reinforcements for our gallant soldiers, of whom we are all so proud, who are fighting in the various theatres of war. Therefore, so far as I am concerned, I will confine my remarks this afternoon strictly to that subject.

In speaking of our soldiers, both French and English, words fail to express our admiration of and gratitude for their efficiency, their brilliancy and their courage under the most trying conditions that ever confronted any army. The Government and Parliament know, as do the Army and the people of this country, that there is a dire necessity to-day for the sending of reinforcements overseas. The Minister of Defence admits, as everybody who knows anything about it does, that there is a shortage of reinforcements for the infantry. I shall come to that later on, if you will allow me. I wish to say at this point that although we have entered the sixth year of war and together with our Allies are fighting to great advantage, although many brilliant victories have been won and we can confidently say that victory is in sight, we cannot say when the war in Europe will end. We also have to bear in mind that after Germany has been beaten, we shall have to defeat Japan in the Pacific theatre.

Now I want to turn back to the record of this Government's war effort since the beginning of hostilities. In January, 1940, Parliament was called. We met at three o'clock in the afternoon, and by six o'clock Parliament was inexistent. The Prime Minister apparently was not in a very good humour that day, and he said that if there was much criticism of the Government he would ask for dissolution—which had already been indicated in the Speech from the Throne. He stated as his chief reason for the dissolution of Parliament after a short sitting of three hours, that the then Liberal Premier of Ontario, the Honourable Mitchell Hepburn had dared, as Prime Minister King said, to pass a resolution through the legislature criticizing the federal Government's war policy. Then, as we all know, a general election followed, and the Government was returned with the largest majority that has ever been given to any government in this country. At that time the Prime Minister, Right Honourable W. L. Mackenzie King, made a solemn promise to this country that there would never be conscription for overseas service. That promise was also given by one of his very able Ministers, a man whom I held in the highest esteem, the late Right Honourable Ernest Lapointe. After Mr. Lapointe had pledged his fealty and loyalty to the Crown and to his own native country, and expressed his earnest desire that the war would prove successful, he said that he was absolutely against conscription, and if it was ever put into force all the Cabinet Ministers from the province of Quebec would leave the Government.

As the war progressed and became more serious, especially after Pearl Harbor, the Government felt it had to do something. First it inaugurated what was called a thirty-days plan of military training for young men of twenty and twenty-one. It meant that the men were given only about three weeks training. Afterwards the period of training was extended to four months. Later on, the Government brought in conscription for the defence of Canada, to remain in effect for the duration of the war.

I want to say to my honourable friends opposite that at that time the Government created two armies in Canada, and we still have two armies. If there is any friction such as the honourable leader opposite referred to a short time ago, I say plainly and emphatically that it is due to the organization by the Government of two armies in the midst of a great war. We ought to have had only one army, with all its members subject to service overseas, and should have retained in this country only a sufficient number of men for the protection of our two coasts.

As my honourable friend opposite knows, by 1942 the Prime Minister felt the pressure of public opinion, so a plebiscite was held to relieve him and the Government of the pledge that there would be no conscription. Eight provinces favoured conscription, but one province, my own, said, "No." Then things remained in statu quo for quite a long while. As the war became more serious the demand grew for a greater number of our soldiers to be sent abroad; and once the Japanese menace had been removed, attention was called to

the cost of the home defence army, which was about $150,000,000 a year.

According to a statement made in another place last evening by the former Minister of Defence, Colonel Ralston, word kept coming that the pools of reinforcements were getting nearly empty and that there was a shortage of recruits, so he decided to make a personal visit to the front. I am not now and have not been for many years a member of Colonel Ralston's party, the Liberal party, but I want to say that in the last war he proved himself to be a gallant soldier, and in this war he has been a conscientious and efficient Minister. On his visit to the front, according to his own words, he not only consulted members of the Supreme High Command in the various theatres of war, but he called on brigadiers, colonels and other officers, and satisfied himself that the situation was really alarming. Instead of staying overseas six weeks he cut his visit in two, and hurried back to Canada to inform the Prime Minister and his other colleagues of the serious shortage of reinforcements.

It appears that in the debate that has been going on in another place the Cabinet doors have been opened to a certain extent. So far as I know, it is the first time that this has been done under our British Parliamentary system. Colonel Ralston asserted last night that as some secret information had been given out by the Prime Minister, this justified him also in giving certain information. The substance of Colonel Ralston's report to the Cabinet was that reinforcements for the infantry were badly needed, and at once. He said that after presenting this report in great detail to his colleagues in the Government, he, having in mind that the N.R.M.A. army had been created not only for the defence of Canada but in order that men might be trained and in readiness for service abroad if required, asked the Government to endorse his suggestion and give him the authority to use as many of these men as were necessary for overseas reinforcements.

We all know that after days of serious discussion Colonel Ralston's suggestion was turned down. It is to be regretted that it was turned down, because he said last night, in a memorable speech, that he had all his plans made for rushing N.R.M.A. men to the front, where they are so urgently needed. He had actually engaged space for the men on ships. A minority of the Government favoured his proposal, but a majority turned it down, so he was not able to carry it through. He went on to say that therefore we have lost valuable time. He spoke to this effect: Every month, every week, every day, every hour, counts. Had my fair and reasonable suggestion been accepted by my colleagues, there probably would have been by now, or if not now, certainly very soon, 10,000 men on the way to the front.

The Prime Minister, according to his own statement, has always believed in the voluntary system. General McNaughton, the former Commander in Chief and present Minister of Defence, stated in two speeches—one at Arnprior and the other at Ottawa—that when the war began he favoured voluntary enlistment and still favoured it, believing that the necessary reinforcements could be obtained under that system. Honourable members will recall that shortly after General McNaughton's appointment the Prime Minister spoke by radio to the people of this country in favour of continuing the voluntary system, and expressed the view that Canada was very fortunate in having as Minister of Defence the former Commander in Chief of the Army, who thoroughly believed in the voluntary system. The Prime Minister virtually assured the people that they could rest easily in their beds and have no doubt that a sufficient number of reinforcements would be sent overseas.

Then Parliament was called. I do not suppose that anyone in this generation or possibly in the generations to come will ever see another exhibition of such a quick change in policy. By consent of the other House General McNaughton was allowed to appear before it. On Wednesday of last week he was all for voluntary enlistment, and so was the Prime Minister, but at Thursday's sitting there was a lightning change. The Prime Minister and the Government had turned a double somersault on this question. The Prime Minister introduced an Order in Council putting conscription on the Statute Book and enabling the new Minister of Defence to call by draft or compulsion 16,000 N.R.M.A. men for service overseas. It is in many ways a curious Order in Council, for the men to be drafted are called upon to serve in a European war theatre only. No mention is made of the Pacific war theatre, although the soldiers in our armies now overseas are sworn in to serve everywhere. This in itself is an inequality. Further, when the Minister of National Defence desires more men, he must get them through a fresh Order in Council. He may draft an Order in Council for a thousand men to-day, another thousand to-morrow, and so on, but for the present he is limited to 16,000 men. In common with many other persons I have been wondering why he did not call all the trained N.R.M.A. men. There are 42,000 in all, and of these it is stated that 26,000 are fully trained as infantry. Why were they not all drafted?

Hon. Mr. KING: They are all subject to being drafted.

Hon. Mr. BALLANTYNE: This war has not yet been won. As I said a moment ago, 16,000 men is in this global war a small number for which to take authority to send overseas. He may want three, four or five times as many men. In any event, it would have been only fair and reasonable that the Order in Council should have covered all of the N.R.M.A. men, especially as most of them have been in training for four years.

I do not know that any good purpose would be served by my dwelling further on this subject. I think what drove the Government to pass the Order in Council was public opinion throughout this country, and its reflection in the press. Day by day you could feel the indignation rising as the people urged the Government to take the step to which I have just referred. I do not think that either Parliament or the people will be satisfied with this limited measure of assistance. It is quite possible that the Prime Minister and the Government will be given a vote of confidence in the other House. But even so, the power behind Parliament, the electorate, the men and women from one end of the country to the other, will not, I think, be satisfied with this limitation. My own province is dissatisfied. Undoubtedly the Government is in a rather awkward position; but I want it clearly understood that we are not opposing the Order in Council. We approve the general principle of sending overseas these men and as many more as may be needed, and we are ready to co-operate with the Government in the future as we have in the past.

Before I read the platform of the Progressive-Conservative party adopted at a large and representative convention in Winnipeg in 1942, I wish to make it abundantly plain that while I am enunciating the principles of the party, there may be some of my good friends sitting on this side of the Chamber who conscientiously hold different views. If they do, I hope they will express them here. But it is my duty as leader of the Progressive-Conservative party in this House to place before you at this time the platform, with which, no doubt, honourable members are quite familiar.

Some Hon. MEMBERS: Read it.

Hon. Mr. BALLANTYNE: I will read it with pleasure. The convention was held at Winnipeg on December 9, 10, and 11, 1942. Let me read this pledge to the Services:

> We pledge to the men and women in the Services at home, abroad and at sea, support to the limit of our resources, to the end that they shall be adequately supplied with reinforcements, equipment and munitions of war in order that they can and shall be so employed in co-operation with our fighting Allies that Canada shall make her due and honourable contribution to a common and complete victory.

Now as to compulsory service:

> Recognizing that the world struggle in which Canada is engaged requires a total war effort, we believe in Compulsory National Selective Service, and that all those selected to serve in the Armed Forces should be available for service wherever required. We believe in the effective total utilization and proper allocation for war, by compulsion where necessary, of all the resources of Canada, including agriculture, industry and finance, as well as manpower, and that our aim should be at all times to bring about so far as human means can achieve it, an equality in sacrifice.

Notwithstanding any policies that may have prevailed in the past, I repeat, that was the policy adopted at the Winnipeg convention when the Hon. John Bracken was chosen leader, and that is the policy which had his full approval and that of the party. Not only was that our policy in 1942, but it has been our policy ever since, and it is the policy that we shall stand on to the end.

Honourable senators cannot have failed to observe the striking similarity of the present shortage of recruits for the army overseas and the shortage which developed during the last war. Perhaps honourable senators will excuse a personal allusion. When I was in England in 1916 Sir Sam Hughes asked me if I would not endeavour to raise a second battalion of Canadian Grenadier Guards for overseas service. Recruits were at that time very hard to get. I demurred owing to my lack of military knowledge, for I had been out of the militia for many years, but eventually he prevailed upon me to accede to his request. We started recruiting in September 1916. Officers and friends collected over $15,000 to carry on the campaign. We had large and small posters on all the bill-boards; we had bands parading the streets, and we had recruiting officers going to the factories at lunch-time to try to induce men to enlist. These officers even went so far as to say to the men in their battalions: "If you bring in a recruit, and he passes the medical board, we will give you a certain cash bonus." After nine months' hard work we had to give up. Voluntary enlistment was at an end.

Then Sir Robert Borden introduced the Military Service Act. The Conservatives were in power with a good majority, but he decided to form a Union Government. This is what he told me personally after I joined the Government. He had called a caucus of

his party, and all the members were agreed on the Military Service Act, but there was by no means unanimity with regard to a Union Government. What did that great statesman, a man of wonderful courage, say to the Conservative caucus? He said, "Gentlemen, my mind is made up. If you want me as leader, I will be leader of a Union Government and none other, but if you want to appoint someone else your leader, it is perfectly agreeable to me." The caucus had the good sense to retain him as leader. Quite a few of us in this Chamber still remember the stirring days of the Union Government. I see several senators who at that time were members of the House of Commons. The Union Government was half Liberal and half Conservative, and many Liberals left their party because they favoured the Military Service Act.

I hope I have not said anything that would cause honourable senators to think I have been making a political speech. I take the same position that Sir Robert Borden took in those days—that the question of whether we won or lost was insignificant compared with the absolute necessity of overseas reinforcements, and the responsibility of the Government and the party to keep our brave men at the front fully up to strength.

Many times it has been said, and General McNaughton repeated the statement quite recently, that in the last war compulsory military service was of very little value. Compulsory service went into effect in January, 1918. In the ten preceding months voluntary enlistments had dwindled to a total of 51,101.

Hon. Mr. CALDER: Where did you get that figure?

Hon. Mr. BALLANTYNE: I will tell you in a moment.

In the ten months succeeding there were obtained, under the Military Service Act—that is the compulsory service Act—and under the shadow of that Act, 154,560. That is just the difference between success and failure. When the Great War ended, Canada had 100,000 men fighting in France, all ranks complete, and all equipped. Between France and England, Canada had 110,000 men trained and equipped for reinforcement, and many more coming on. I would now ask the leader of the House to allow me to place the following monthly figures on Hansard:

Hon. Mr. BALLANTYNE.

Statistics
Adjutant-General's Branch, London, Eng.
Overseas Military Force of Canada
(pages 66 and 67)

Reinforcements Arrived from Canada
1 January, 1918, to 11 November, 1918

	Officers		Other Ranks
January	91		2,797
February	177		7,287
March	116		9,150
April	118		10,319
May	53		3,882
June	171		5,743
July	227		9,057
August	218		19,905
September	144		3,918
October	159		2,509
November	1		36
		England	183
	1,457		74,786

Reinforcements Despatched to France
Same date 1 Jan., '18–11 Nov., '18

	Officers	Other Ranks
January	216	3,250
February	273	4,227
March	287	12,342
April	561	9,389
May	265	4,447
June	374	4,685
July	256	2,181
August	416	11,905
September	816	10,351
October	576	8,701
November	341	5,397
	4,381	76,875

As these are official figures, taken from the records of the Auditor General's branch, no one can dispute them. I hope that will settle the question for ever.

I thank you, honourable senators, for listening to me so patiently, as you have done. I will close by stating again the pledge of myself and of all others on this side of the House. We have no desire to embarrass the Government in a political way. The war is too serious for that. We have co-operated with the Government in the past, and we will continue to do so in the future.

(Translation):

Hon Sir THOMAS CHAPAIS (Translation): Hon. members of the Senate, once again we are faced with this factor of dissension, which, has already been so detrimental to us, conscription. I must once more air my feelings on this matter.

Twenty-seven years ago, when a conscription measure was proposed by my esteemed leader, Sir Robert Borden, I opposed it. Two years ago, when the right honourable Mackenzie King submitted the principle of conscription to our consideration, I took the same

stand. To-day, we are concerned with the same principle and I wish simply to restate my opposition to it.

First, however, I must define the nature of my feelings. I do not claim that conscription in itself is a measure fully and invariably indefensible. Conscription to defend the country against a ruthless aggressor, to protect the homes and altars, to prevent the native soil from being trodden by ravaging hordes is a token of devotion to and love of that majestic and holy inheritance, the homeland. But conscription or coercion for the purpose of tearing from their homes the pick of our young men, to send them to foreign countries across the oceans and even to the antipodes, to fight on far-removed fields of battle, is an abusive and tyrannical measure. The cross-currents of politics have brought us once again in the presence of that type of conscription.

In spite of all the conscriptionists may claim, this frenzy of coercion is completely foreign to the British turn of mind. Throughout the centuries, the English have been averse to conscription. It is only when face to face with an impending danger that the Parliament in Westminster have been able to pass a limited conscription measure in 1916. Even then, illustrious parliamentarians such as Mr. Asquith, Sir John Simon and others, have not concealed their anti-conscriptionist feelings. Obviously, in the present war, the whole of England's human and material resources have for the last four years been put into a gigantic effort with a view to averting the most appalling catastrophe which has ever threatened her in the course of her long and glorious history. But she was fighting for her freedom, her independence, and her national life.

Those who advocate conscription in this country can never bring us to admit that our case is similar. Our case is that of a young American nation, separated from the Old World by 3,000 miles of ocean. Undoubtedly, that extensive oceanic area has not to-day the same protective power as formerly. But it will nevertheless be granted that the Atlantic is wider than the English Channel, that small arm of the sea whose protection has nevertheless saved the British Isles from a Hitlerian invasion in the dark days of 1940. No, we were not and we still are not in the same situation as England, France, Belgium, Holland, Denmark or Norway. Ours is the case of a North American confederation which is a part of the British Commonwealth and which, in view of the formidable onslaught of the Hitlerian menace, has resolved to help the free nations to check the devastating torrent. To help, to contribute, to participate in England's effort, and later in the United States' effort, was and had to be our role at the outbreak of the great world war. I have always believed and I still believe that in so doing we were taking a national course that was worthy of approval. But such participation, as no one has certainly forgotten, was to be in keeping with our means of action. It was to be moderate, proportionate to our population, and to the Canadian nation's resources. I shall show in a few moments what it has been. But I wish to emphasize that difference, that disparity as regards obligation, duty and responsibility which undoubtedly exists between this country and the nations that were directly threatened and to which we extended our help.

I know quite well that in 1940 and 1941 the horizon became still darker, that the Nazi supremacy appeared more threatening, and that the danger became more dreadful, and I quite understand an intensified effort on our part would result thereby. Was it bound, however, to increase out of all proportion, keeping in mind our duties and responsibilities?

Now the sky has cleared, sinister clouds have scattered and the dawn of victory rises on the horizon of liberated nations. At such a time are we assailed with frenzied clamouring for conscription, a step from which we had sworn to steer clear in our military endeavour. I commend the words spoken in another house by a man who played a very competent part in our war effort; I refer to the Hon. Charles Gavan Power and quote the following passage:

> Conscription may be justified in moments of national crisis and in defence of one's country. It might have been justified at certain periods and phases of this war when we were on the brink of almost certain defeat. It might have been justified if D-day had been a smashing catastrophe instead of a brilliant success. But these days are now past. We have no right to tear this country asunder at this stage, and in this state of the war.

And I wish to quote also these words from another statesman, the Right Hon. Mackenzie King:

> Since the landing, which relatively speaking was carried through with amazingly small loss, France has been freed, Belgium has been freed, part of Holland has been freed, a still larger part of Italy has been freed, Greece has been freed; in Yugoslavia the forces which were opposed to and fighting one another have been brought together and are working against the enemy; the satellite nations of Germany—Roumania and Bulgaria—instead of being at her side, have turned against her and are fighting against her to-day. Add to all that that Russia has driven the enemy off her soil and has invaded Germany and is fighting on German soil to-day. More than that, United States troops, British troops, Canadian troops, French troops, all of them to-day in some measure are fighting on German soil and conditions in

Germany itself must be appalling. Do you wonder that some members of the cabinet found it difficult to appreciate why we should be asked to make this further contribution; and that particularly in the light of the experience of the introduction of conscription for overseas which we had in the last war? The adoption of conscription at that time was responsible for more disunity in this country than any other step which has been taken in the history of Canada since Confederation. With that example before us, do you think it was easy for any of us to come to the point of view that it was necessary at this time to adopt even a limited measure of conscription?

After such a statement, can we conceive that the implementation of the famous Bill 80 is announced, involving conscription for overseas service which had been rejected when our country entered this world conflict? The explanation is given in the correspondence exchanged between the Prime Minister and the former Minister of National Defence and in order in council 8891 tabled in the House of Commons on the 23rd of November. This explanation is exactly that given by Sir Robert Borden when he moved his conscription measure, in 1917. It is the need for sending reinforcements to Canadian troops who have suffered unavoidable casualties on the battlefields of Holland and Italy. It is the pressure exerted to resort to conscription to supply these reinforcements which has forced the surrender which we have witnessed a week ago. This word has been used properly, for it would have been possible to meet the situation in some other way.

And who was responsible for this situation? I shall again quote the Prime Minister of Canada. On November 8, Mr. Mackenzie King said in a radio speech:

> May I place this matter in its true light in relation to the total war effort of Canada. Since 1939, almost a million men have served in the three armed services of Canada. At present, their strength totals about three-quarters of a million men. Except for 68,000 all have enlisted voluntarily. That is a marvellous result for troops levied in a country whose population numbers less than twelve million people, particularly if we keep in mind the manpower required for war production and essential civilian services.

Out of a population of eleven and one-half million people, almost one million soldiers were enlisted to fight in Europe or elsewhere; does that constitute a moderate effort? Is it not more in the character of an excessive contribution?

Recently, I read in a well-written pro-conscription newspaper, the Quebec *Chronicle-Telegraph*, the following extract:

> There has been no scientific master plan but only a hit-and-miss mobilization in which the Army, the Navy and the Air Force competed with each other for recruits; just as did the Infantry, the Artillery and the Tanks. Then Industry and Agriculture had to struggle along with what was left. We have always felt that Canada over-strained herself last time in the war effort to which she committed herself at the outset of hostilities. And we feel just as strongly that the same mistake has been repeated in the present conflict.

That assertion is made by a newspaper favouring conscription. Our own Prime Minister has also given a vivid description of this "over-strained effort". The following quotation is taken from page 6760 of the House of Commons *Hansard*:

> This government has not only done all that could possibly be done with reference to the army, but the same is true in reference to our great contribution in the air; the same is true of our great contribution on the sea; the same has been true in respect of our great contribution in the supply of munitions; the same has been true of what the people of this country have done in the matter of supplying food and other commodities that were necessary; the same is true in regard to the tremendous financial obligations we have assumed—obligations, may I say, much larger than most people have even begun to realize at this time. It is true with respect to what we have done in the matter of mutual aid to our allies, something which no other country has done in comparable measures; also of what we have done in the contribution to UNRRA to help to meet relief which is needed by those countries that have been under the heel of the conqueror and the oppressor. In no particular relating to the war effort anywhere have we done other than seek to make it a total effort, a maximum effort.

The Prime Minister is talking about a total effort, a maximum effort. I would rather say, with the Quebec Chronicle-Telegraph. "an over-strained effort". But such is not the opinion of the vehement agitators who never stop shouting "Total war, total war". The numerically small Canadian nation has mobilized nearly one million soldiers. That is not enough, "Total war, total war!" The small Canadian nation has transformed its peacetime industry into a war-time industry, into an industry producing munitions, guns, tanks, bombs and shells. Our arm-chair strategists are continuing to shout "Total war, total war!" The small Canadian nation has bled itself white to help the allied nations in resisting the terrific onslaught which was threatening their very existence. "Total war, total war!" The small Canadian nation has seen its expenditures increase from $600,000,000 to $5,700,000,000. "Total war, total war!", nevertheless. The small Canadian nation has given billions of dollars as a contribution to war efforts. The small Canadian nation has taxed itself to the utter limit; taxes are crushing all classes of citizens. "Total war, total war!" The small Canadian nation has seen its national debt increase by $10,000,000,000 and reach the stupendous figure of $15,000,000,000, which will be a terrific burden for future generations. Yet, the cry is ever for total war.

I shall now conclude. I wanted to register my protest against all those excesses in words or actions which we are witnessing. We are going to have conscription, in violation of all pledges and promises. We are going to have that drastic measure which has divided us, which will divide us again, and which we ought to have avoided by following the eminently judicious advice given in 1941 by the outstanding public man who was then Minister of National Defence, Colonel Ralston:

Were we to resort to the measures advocated (conscription), we would be adopting a different method than that implemented in the Commonwealth of Australia. May I point out that this selfsame question had torn and divided the country in 1917. We are now united. Let us endeavour to remain so instead of introducing a factor of disunity in a war effort of which Canada may justly be proud. I condemn the attitude of public men and others who advocate a different system which has not been proved necessary, because they thereby impair our war effort.

This advice, given by the Hon. Mr. Ralston in 1941, is still appropriate in spite of present circumstances. It condemned conscription in 1941. It still condemns this disastrous measure in 1944.

Hon. J. W. de B. FARRIS: Honourable senators, I regret that I was not able to follow the remarks of the last speaker. It will be my privilege to read them when they are translated. I read the speech that he made here in 1942 on the Bill to amend the National Resources Mobilization Act, and I believe all honourable senators will agree with me in saying that however much we may differ with him we must respect his views as having been expressed conscientiously and in the light of history as he has read and studied it.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. FARRIS: The honourable gentleman from Grandville (Hon. Sir Thomas Chapais) is one of the most respected members of the Senate. In his province he is regarded as the highest authority on history. I will venture to say that when his speech of this afternoon is read it will be found to contain no endorsement of the Winnipeg Convention's principles of conscription. I mention that at this time, honourable senators, because I have heard it asserted more than once that the Liberal party is reaping what it has sown in the province of Quebec. The Liberal party never sowed any of the ideas or ideals relating to conscription that have been pronounced by the honourable senator from Grandville. I will venture to say also that in the province of Quebec there are a great many people who have received their inspiration and their views from his teachings and pronouncements. That being so, in approaching this question of conscription we must realize that in regard to it there are in Canada two views which in principle and in conviction are diametrically opposed.

I expressed my views when Bill 80 was before this House in 1942. I quote from page 319 of Senate Hansard:

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.

I laid that down at that time as my belief in the general principle of conscription. But I stated then, and I repeat now, that circumstances in this country require us to modify our views on the general principle so far as is necessary; and I do not mean merely politically necessary, but practically necessary—practically necessary in the administration in order to secure the co-operation of a united people. To-day there are still stronger reasons for taking that view than there were in 1942, for the necessity that confronts us to-day is not that orderly selection should apply in the first place without an element of compulsion, but that there should be compulsion. That is the most unfortunate necessity that could exist in this country.

We have been here for over a week and have spent our time listening to debates in the House of Commons. That has not been done casually or as a matter of curiosity. It has been done as the basis on which we as senators must form our opinions and found our discussions. If we as members of this Chamber had not been able to hear what the Prime Minister said, and the statement and explanations of the Minister of National Defence, and the views expressed by Colonel Ralston as the former Minister of that Department, it would be utterly impossible for us intelligently and collectively to evaluate and discuss the question. For that reason, and because of the gravity of the situation,

it seems to me that in our discussions we must form our ideas and base our statements on what has been said in the other House. Technically, to a minor degree, we may have to transgress the rule which forbids us to refer to speeches made in another place; but I think every senator will appreciate the necessity for indulgence, and certainly I will not abuse it in the sense of making an attack on any member of the other body.

I am not unmindful of the statement which the honourable leader opposite (Hon. Mr. Ballantyne) made before we were called here, that as a body of—I do not know whether he used the expression "elder statesmen"—

Hon. Mr. BALLANTYNE: No.

Hon. Mr. FARRIS: Well then, that as a body of men experienced in public life our views might be not merely of assistance to the Government, but, what at this stage is almost all-important, of assistance to a worried and perplexed people. It is with that idea that I propose to make my small contribution as one of the members of the Senate of Canada.

The issues, I think, were fairly outlined by the Prime Minister, and I would summarize them as two. First: Is the action of the Government adequate to ensure all necessary reinforcements for our forces overseas? Second: If the answer is in the affirmative, should the Government at this time be supported in its war effort?

Is the action of the Government adequate? I think it is our duty to see that that issue is not beclouded by irrelevant speeches or by irrelevant discussions in the newspapers. With all deference to my honourable friend the leader opposite, I submit it is not a question of how many kinds of armies there may be. After all, the National Resources Mobilization Act, so-called, was passed in 1940.

Hon. Mr. BALLANTYNE: 1942.

Hon. Mr. FARRIS: No, the amendment was passed in 1942, but the N.R.M.A. with its restrictive provisions that men should serve only in Canada, was passed in 1940.

Hon. Mr. BALLANTYNE: Correct.

Hon. Mr. FARRIS: My recollection is that it was passed virtually unanimously by both Houses of Parliament. That is where this cleavage between the two armies started. It was a policy approved by all Canadians as represented in the Parliament of Canada.

Hon. Mr. HAIG: There was no provision in that Act to call men.

Hon. Mr. FARRIS: I beg my honourable friend's pardon. That Act authorized the conscription of men, but under section 3 they could not be sent overseas. The Act of 1942 simply repealed section 3. The basic operative provision in regard to putting men into this so-called home army was passed in 1940 by virtually the unanimous vote of the Parliament of Canada.

Hon. Mr. BALLANTYNE: There was a grave menace from Japan in 1942, and that is why the Bill was passed virtually unanimously; but after that menace passed away we continuously opposed the measure.

Hon. Mr. FARRIS: I am saying that for reasons that were good and sufficient at that time the Bill which recognized the distinction between the two armies—and it was set forth in specific terms—was unanimously passed by Parliament.

The first question which I now ask in order that we may answer it is this: "Is the action of the Government sufficient to ensure that adequate reinforcements be sent overseas?" To my mind the essential thing there is not how or from what type of army they come. But bear this in mind. If the Act results in men going overseas and facing the enemy, there is in that sense only one Canadian army; and the man who stands there and gives his life or takes the risk of giving it, or who is wounded or suffers in other ways, is a part of that Canadian army in the fullest sense, no matter how mustered or from what source he came. That ought to be the spirit in which this thing should be approached.

Hon. Mr. BLACK: I very much doubt whether any person has even thought those men would not be part of the Canadian army when they went overseas. I am certain they will become just as good soldiers as those who are already over there. The only question is how to get them overseas as required reinforcements.

Hon. Mr. FARRIS: I quite understand my honourable friend taking that view. He need not look at me so severely, for I quite agree with him.

Hon. Mr. BLACK: Thank you.

Hon. Mr. FARRIS: I am saying that once we are satisfied that the men are going, this discussion of two armies in Canada seems both superfluous and irrelevant.

Hon. Mr. BALLANTYNE: There will still be an army left here.

Hon. Mr. FARRIS: I will discuss that a little later when I come to the question of so-called total conscription.

I think therefore that we in this Chamber, as a nearly-united if not entirely-united body, may approach the question with this proposition. I heard it first from General McNaugh-

ton. It was not recorded, but I see nothing in it that should not be published. He stated that the Canadian Army must not pull its punches. The reason given by the General seems to be fundamental in that connection at least, and I am sure that honourable members opposite will agree with it. Secondly, I think that most of us here now find ourselves feeling, not that the voluntary system has failed, but that it has reached the end of its complete effectiveness. Thirdly, it would appear that for the immediate situation the only trained soldiers in Canada available to be sent overseas are N.R.M.A. men, of whom 8,000 are fully trained and 8,000 trained in part, but to an advanced degree. In addition there are other N.R.M.A. men scattered over Canada, making in all—what was the number my honourable friend said?

Hon. Mr. HAIG: 26,000 more.

Hon. Mr. BALLANTYNE: 42,000 in all.

Hon. Mr. FARRIS: That is, there are 26,000 more scattered over various parts of Canada, and in Labrador, Newfoundland and the West Indies. Evidently a substantial number of these men could in due course have their training completed. I say in due course, for it cannot be done overnight. But I think it should be emphasized, not for the information of this body but for the information of people outside—that is, if anyone outside ever reads what senators say—that the only available soldiers whom this law could reach at present are the 16,000 N.R.M.A. men.

Having come this far, the next question we should ask ourselves is this. Do the facts justify us in concluding now that the Government has made adequate provision to ensure that the men available will go overseas? Well, with all deference to those who take another view, I say that this Order in Council is not partial conscription, but an Order in Council which in principle decides the question. The Prime Minister has said so. He said that the issue of conscription was settled in 1942, and that the time of its application was when the Order in Council was passed. The Order in Council deals with men who are at present available or can be made available in the near future. All that remains to be done, as further men become trained and available, is the making of a recommendation by the Minister of National Defence and the passing of one or more Orders in Council—a mere routine for a Government which passes Orders in Council as though they came out of a sausage machine. That is no reflection on the Government, because under war conditions it is necessary to pass numerous Orders in Council.

Hon. Mr. HAIG: May I ask the honourable gentleman a question? Is he sure that what he has stated is the view of the Minister of Agriculture?

Hon. Mr. FARRIS: I do not know, and I do not care. I am sure that it is the view of General McNaughton, and I am sure it is the pledged view of the Prime Minister of Canada. I am also sure that if the time comes when the Minister of National Defence says, "I have additional men ready and they are needed," an Order in Council will go through or the Government will resign. That is my firm belief, and in the light of my experience and of what I have studied, I know of nothing to cause me the slightest doubt that that is correct.

In addition to other statements that have been made, there was the declaration last night by the former Minister of National Defence that he accepted the Order in Council. He was not satisfied with it alone; but he said: "If the Prime Minister means what I think he means, and if General McNaughton means what I think he means"—and he was not challenged in that—"I accept that Order in Council." There is no object in my labouring that point. That analysis of the facts satisfies my mind that the situation is secure. I can think of nothing in the conduct of the Prime Minister or of the present Minister of National Defence to make me believe that they will do anything to make the situation insecure.

If that be so, let us come to the second point. As I say, there are only two points for our consideration. If the answer to the first question is "Yes," then shall we give support to the Government in its war effort? That word "we" is very comprehensive. By "we" I mean not merely members of the Senate and of the House of Commons, but the people of Canada. And when I speak of support, I mean not in the next election, for we are not concerned with that at this stage, but now and as long as it is necessary for the present Government to carry on.

Under the system of responsible government as distinct from representative government—they both are constitutional systems—an administration remains in office as long as it has the support of the elected house. If it loses that support, it goes out. I think honourable members will agree with me that all indications are that a vote of non-confidence in the Government will not be given at this time. But the question I have asked involves more than a vote of want of confidence in the Government. There is more involved than the fact that Colonel Ralston has grudgingly consented to vote with the

Government on the resolution. That is not enough. If it stood there I should feel that certain vital things had been overlooked. Colonel Ralston's support is not enough. The House of Commons' support is not enough. Even the unanimous support of this Senate would be far from enough. If this Government is to carry on successfully so that Canada may make its full war effort from to-day, this thirtieth day of November, until such time as the Government goes out of office, it must have behind it a restored public confidence and support.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: If it does not have that, honourable senators, our war effort will not measure up to what it has been in the past.

Hon. Mr. HAIG: Hear, hear. You are right.

Hon. Mr. FARRIS: The need for the restoration of that confidence and support is the only thing that justifies my making the remarks I have made and offering the reasons I am about to offer as to why I think the people of this country may feel that their boys will not be betrayed and that our war effort will continue. How can that confidence be restored? I use the word "restored" advisedly, for there is no doubt at all that never before in our time has there been such a disturbing upheaval of public opinion as we have witnessed in the last month.

Hon. Mr. BLACK: Hear, hear.

Hon. Mr. FARRIS: I think its unexpectedness and the way it came upon us has contributed to that situation. I have no doubt in my own mind that the unfortunate term "Zombie Army" has also contributed to the situation, as has also the unfortunate statement by N.R.M.A. men that they would go overseas if they were forced to go. Now, here is something that puzzles me, something for which I have never seen an answer: Why does any N.R.M.A. man take that position? I can understand a man who is home with his family, having affairs to look after, saying "I am not going to join up until somebody else does." But these men have been brought into the army, they have dissociated themselves from their families and its affairs. They find themselves in the pink of physical condition and fully trained. In these circumstances, knowing the needs of the country and of their brothers in arms overseas, why have they in a somewhat concerted manner taken the position that they have taken? I certainly am not able to offer even a suggestion of why that has happened.

Hon. Mr. HAIG: Is anybody else?

Hon. Mr. FARRIS: I do not know.

Hon. Mr. HAIG: I never found an answer to it.

Hon. Mr. FARRIS: I suspect it is the puzzle behind that question which prompted some observations of my honourable leader on this side (Hon. Mr. King), for the situation is so astonishing and so hard to explain that it almost makes one wonder if organized influences of some kind or another have not been operating with a view to getting the men to take this stand.

Hon. Mr. CALDER: May I make a suggestion to the honourable gentleman? I do so seriously. I have just come from listening for half an hour to an intensely interesting address delivered in another place by an honourable gentleman by the name of Mr. Picard. He is from the province of Quebec, and he stated clearly and definitely the reason why the people of that province hold the opinion they do. It would be worth while for every honourable member of this Chamber to read Mr. Picard's address.

Hon. Mr. BALLANTYNE: May I offer one suggestion? I have an idea that some of the N.R.M.A. men are reluctant to go overseas because they think there is restricted conscription instead of, as there should be, equality of service.

Hon. Mr. FARRIS: That does not explain the situation, because the men took their position prior to the passing of the Order in Council. I understand that since the passing of the Order in Council enlistments have, if anything, been stimulated. Somebody has termed them "compulsory volunteer enlistments"; but whether that be an apt expression or not, it has been definitely stated, and I believe it to be so, that since the Order in Council was passed enlistments have been more numerous than they were before. And to my honourable friend from Saltcoats (Hon. Mr. Calder) I would say this: that out of the 68,000 N.R.M.A. men—or, to be more nearly accurate, 60,000,—only 23,000 are from the province of Quebec. I would not undertake any expression of opinion as to what has motivated those from Quebec. I do not mean that in an offensive sense at all; I mean simply that I am unable to express an opinion because I do not speak the French language and do not live close to our friends in that province and therefore do not understand them as well as I understand people in other parts of the country.

Hon. Mr. CALDER: Will the honourable gentleman allow me again? In his address Mr. Picard was dealing with the very difficulty that my honourable friend has had, and that I have had, in understanding the objection in Quebec to the principle of conscription. He was dealing only with the principle, of which he gave a history from the year 1812 down to the present time. He also made many references to the way in which the question has been dealt with in various parts of the world. He was discussing the matter from the point of view only of the principle, not of numbers of men or anything of that kind. His speech was to me very enlightening.

Hon. Mr. FARRIS: I have no doubt that any senators who are fortunate enough to understand the French language—

Hon. Mr. CALDER: No, he was speaking in English.

Hon. Mr. FARRIS : I took that to be so. I was going to say that honourable members who are fortunate enough to understand the French language may have gained some insight into the situation from the remarks of the honourable gentleman who preceded me (Hon. Sir Thomas Chapais). I was told by an honourable gentleman who sits near me that the honourable senator from Grandville (Hon. Sir Thomas Chapais) spoke along somewhat the same line that he followed in 1942, but I presume that he brought his remarks up to date.

Hon. Mr. HAIG: In any event, what he said would apply to Quebec, and would not explain the attitude of men who come from other parts of the country. It is their attitude that I am worried about.

Hon. Mr. FARRIS: Now, adhering to my text, I submit two propositions on which I want to base my argument that the people should continue their confidence in this Government in order that the country may make its best war effort. We know that under the present administration Canada's war effort has been a magnificent success. We cannot ignore that without doing injustice to every Canadian who has participated in the effort. I am sure the Prime Minister would be the last one to say that he alone ought to receive credit for its success. But these things do not just happen, and this magnificent success could not have been achieved under incompetent leadership and a disorganized government.

The second proposition that I submit for your consideration, honourable senators, is that confidence in Mackenzie King should not be lessened because of his support of the voluntary system from the beginning of this war until the Order in Council was passed. Quite dispassionately and without fear of having my remarks judged critically by those who may read them, I want to submit to you why I think that is so. In the first place, this voluntary system brought a united Canada into the war. There is not an honourable member present who will challenge that statement. I repeat, it was the voluntary system which brought Canada into the war as a united nation. It is on record, the honourable leader has mentioned it, and I have before me a host of quotations that I could cite. It is on record, I say, in the pages of Canadian history that immediately prior to the war, at the time we came into the war, and during the election of 1940, the voluntary system contributed to unity in Canada and should be continued as long as it was practical. Not only did that system bring a united Canada into the war, but for five years and some months that system has kept Canada in the war with a full all-out contribution as a united country.

Hon. Mr. HORNER: May I ask you, what about the plebiscite and a united country?

Hon. Mr. FARRIS: I admit there was a plebiscite, but what in the world that has got to do with the question of unity I do not know.

Hon. Mr. HAIG: It did not show unity; that is a cinch.

Hon. Mr. FARRIS: Yes.

Hon. Mr. HAIG: No. It showed eight provinces on one side and one province on the other.

Hon. Mr. FARRIS: That is true; but what I am saying is that notwithstanding the plebiscite Canada has gone on until October of this year with a full-out war effort.

Hon. Mr. HAIG: Let me ask my honourable friend a question. One part of Canada favours the voluntary system, even when compulsion is found to be necessary; but the other parts say, "No, we believe in giving the Government power to put in conscription." It is they who are raising the objection to partial measures; nobody else.

Hon. Mr. FARRIS: If my honourable friend is looking for someone to place the blame on, he is at liberty to do so, but I am not discussing that attitude. I am not blaming anyone. I am in sympathy with my honourable friend who spoke ahead of me.

Hon. Mr. HAIG: The honourable gentleman misunderstands my question. He is asking us why people have lost confidence in the Government.

Hon. Mr. FARRIS: Oh, no.

Hno. Mr. HAIG: I think you are.

Hon. Mr. FARRIS: No. I am showing now why they should have confidence.

Hon. Mr. HAIG: It is the same thing.

Hon. Mr. FARRIS: No, it is not the same thing. I say first that under the voluntary system this country was brought into the war as a united nation, and I submit it could not have been done in any other way. Blame anybody you like; it could not have been accomplished in any other way. The fact is that every public man of responsibility in Canada recognized that at the time, and for that very reason approved of the voluntary system. I have already stated my view that, as a method of selective service at the start of a war, conscription is undoubtedly the fairest and the most effective system. But "if meat shall cause my brother to faint, I shall eat no meat"; and if such a belief rammed down the throat of a sister province is going to create an impossible situation in this country, then I say it should not be adopted unless the time has come when no other way can be found of securing the needed reinforcements for our troops overseas.

For five years and some months, until last October, Canada's voluntary system resulted in a united effort and a magnificent performance. Our war-time production under the direction of Ministers like Mr. Howe in Munitions and —with all deference to my friend opposite I think I may mention him—Mr. Gardiner in Agriculture and Mr. Humphrey Mitchell in manpower, is something that every Canadian is proud of and that our Allies point to with the highest commendation. The Canadian people have subscribed generously to our war loans, but they have done so under the earnest direction of Mr. Ilsley and Colonel Gibson. Our young men of the Navy have covered themselves with glory.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: There is no question about that. But the Navy was organized and made its magnificent record under an effective leadership. Service in the Navy has been 100 per cent voluntary, and undoubtedly that system will continue to the end of this war.

The same remarks apply to the Air Force. The man who under a system of voluntary enlistment organized our Air Force, the man who, so far as Canada is concerned, gave leadership to that great organization known as the Commonwealth Air Training Plan, has withdrawn from the Government in a protest which is the direct opposite of that of Colonel Ralston. I am confident his withdrawal will be recorded in Canadian history as a tragedy. To some of the significances of that I shall in a few moments direct the attention of honourable members.

Colonel Ralston was responsible for the splendid organization of our army. I have not before me the speech which he made in the House of Commons on the 10th day of July last, but I have read it with great interest and marked it for reference. In that speech he proclaimed that from the start of the war until the day he was speaking the voluntary system had been successful in relation to our army operating overseas. No man questions the honesty or the accuracy of that statement.

Let me compare that record just for a moment, not to attack conscription or the recognition to-day of its necessity, but simply to get the viewpoint and justification of the ministry in its hesitation to bring in conscription at the first intimation of necessity. As honourable members know, many unkind things have been said about the Prime Minister, both in the newspapers and on the public platform, to the effect that all he is doing is playing politics. Well, that strikes me as incomprehensible. I do not believe there is a member of this House—

Hon. Mr. BALLANTYNE: Why did he refuse to Mr. Ralston what later he gave General McNaughton?

Hon. Mr. FARRIS: That is a fair question and I will deal with it. But I hope my honourable friend does not mean that he thinks the Prime Minister has taken his course in order to play politics.

Hon. Mr. BALLANTYNE: Oh, no.

Hon. Mr. FARRIS: No, I would not think so. But that is the issue I am asking honourable members to consider at this time.

Hon. A. L. BEAUBIEN: Does my honourable friend know that the leader of one of the great parties of this country at a public meeting in this city called the Prime Minister a coward?

Hon. Mr. FARRIS: I do not know that.

Hon. A. L. BEAUBIEN: It is in the newspapers.

Hon. Mr. FARRIS: I think my honourable friend should state who it was.

Hon. A. L. BEAUBIEN: The Hon. John Bracken.

Hon. Mr. HAIG: I would suggest that you do not make such a charge without proper proof. John Bracken has four sons, and three

of them have been on active service overseas for the past three years. They are volunteers. I do not think I would say that.

Hon. Mr. FARRIS: I did not say that.

Hon. Mr. BALLANTYNE: Well, my honourable friend called on the honourable gentleman to state who it was.

Hon. A. L. BEAUBIEN: It is in the newspapers.

Hon. Mr. BALLANTYNE: Quote the text before and after the sentence you have just given.

Hon. Mr. FARRIS: I am offering no disrespect to Mr. Bracken. I have been informed of and have the fullest appreciation of the great contribution he is making to this war; but notwithstanding that, if Mr. Bracken made that statement, I say it is just too bad. I think instead of my honourable friend taking objection to what I am doing here—

Hon. Mr. BALLANTYNE: No, I am not objecting.

Hon. Mr. FARRIS: My honourable friend from Winnipeg is.

Hon. Mr. HAIG: I am objecting to some alleged statement being introduced which makes a political issue. Do not misunderstand me, I am quite willing to discuss it. I know John Bracken better than any other man in this Chamber. I sat with him in the Manitoba Legislature for thirteen years, and I know him inside out. I do know that he has four sons, three of whom have been in the armed services overseas for three years. I think it is very questionable whether his name should be brought into this debate. If any man can stand up and say he has three boys in the armed forces overseas, then he has a right to criticize John Bracken; but not otherwise.

Hon. Mr. FARRIS: I do not accept the suggestion that public discussion must be measured by the number of boys you have overseas.

Hon. Mr. HAIG: But you are making political capital out of it.

Hon. Mr. FARRIS: No, my honourable friend has no right to say that. I have made no political capital out of anything, but since this question has come up, I will say that no matter how many sons a man may have overseas, I do not think he has the right to call the Prime Minister of this country a coward.

Hon. Mr. BALLANTYNE: I do not think Mr. Bracken did.

Hon. Mr. FARRIS: I hope not. My honourable friend from Winnipeg (Hon. Mr. Haig) ought to thank me for bringing this up, because in a few minutes we shall get to the bottom of it. I would say of this story, as of some others, that the sooner we get to the bottom of it the better. There are too many insinuations being made in this country—and they are not all made on one side of the fence, by any means.

I come back to the issue that I am asking honourable senators to consider. The recognition by all public men in the past of the desirability of maintaining the voluntary system as long as possible, and the difficulties and animosities that were created in the last war, teach us, not that we should not have conscription if it becomes necessary, but that we should not have it unless we are satisfied it is necessary. The longer the war continues, the nearer we are to the end of it, and the greater the certainty that conscription, if brought in, would be regarded as straight compulsion, and not as national selective service, the greater should be the care not to invoke it unless necessary. That is the submission I would make to honourable senators.

Colonel Ralston has stated what his views with regard to conscription were in the last war. I understand he was a strong supporter of it at that time. In the speech made here by the honourable senator from Grandville (Sir Thomas Chapais) in 1942, he quoted something that had been said in the preceding year by the Minister of National Defence —who was, of course, Colonel Ralston. I did not check the quotation, since I felt satisfied that it was accurately given by the honourable gentleman from Grandville. This is what the Minister said in 1941:

> 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.

I think that Colonel Ralston has never departed from that point of view, and that his recommendation to the Government last month was made, as he said, not because he felt that the voluntary system had failed but that its complete effectiveness had come to an end.

Hon. Mr. CALDER: Correct.

Hon. Mr. FARRIS: I do not think any object would be served by reading from my notes quotations from statements of other

public men. I have here a statement made by Dr. Manion, which in 1942 was quoted by an honourable colleague to my right, from the House of Commons Hansard of 1939, volume 3, page 2440.

I say to honourable senators—and I ask them kindly to withhold any dissent until I have argued the proposition—that what has happened in the last month has been not a condemnation of Mr. Mackenzie King's policy, but a vindication of it. The declaration has gone out to the world that after adhering to the voluntary system of enlistment for five years and some months, Canada has been forced to resort to compulsion in order to obtain sufficient soldiers for service overseas. I think that is one of the most unfortunate things that has happened since we entered this war. I think that the Prime Minister, any Prime Minister, would have been justified in probing and testing the situation to the utmost limit before permitting a development that would result in that declaration to the world.

I have here extracts from the New York Sunday Times of four days ago—a friendly paper, a great paper, with tremendous power and influence. Here on the front page is the heading, "Thousand Troops Join Protest of Canada's Overseas Draft." On the front page there is an Ottawa dispatch from the Associated Press. I hold up a clipping of it so that honourable members may see its length. On the inside pages there is a lot more. Is that good for our war effort? Is that good for co-operation with our neighbours to the south? I have not seen the Chicago newspapers, but I imagine it would be worth while to look at one paper in particular and read what it has said during the past week about Canada and her united war effort. Now, I put this question to honourable senators: If that sort of thing is appearing in the newspapers of our neighbour, friend and ally, do you think it is not appearing on a greatly magnified scale in German newspapers? I believe—and I have derived this idea from various utterances and editorials that I have read—that one of the things the German propagandists are telling their people is to hold out, that sooner or later the Allies will blow up; that there will be a rift between Russia and the United States, or between Great Britain and the United States, or between Russia and Great Britain. Does any honourable member imagine that the turmoil we are going through here is not being twisted out of all proportion by the propagandists in Germany? I have no doubt they are saying: "We told you so. The greatest dominion has had to discard its voluntary system of enlistment and resort to the compulsory sending of soldiers overseas. There have been protests and demonstrations against this by the soldiers."

Now, honourable senators, let us follow this a little further. In his speech last night Colonel Ralston said, "If this Order in Council had been submitted to me when I was Minister, I would have accepted it."

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. HORNER: And the turmoil would have been avoided.

Hon. Mr. FARRIS: Yes. But I say to my honourable friend, "Don't jump too fast." Colonel Ralston also said, "I am prepared to accept it now."

Hon. Mr. HORNER: I beg the honourable gentleman's pardon. I think the words were, "I would have accepted that."

Hon. Mr. FARRIS: Yes, my honourable friend is quite right. He did not say he would accept it now, for he has not the authority to do so, but he is accepting it in this sense, that as a private member he intends to vote against the amendment expressing want of confidence in the Government. I think it might be well to take a moment to read just exactly what he said. I quote from the House of Commons *Hansard* of yesterday, page 6839:

> The amendment is, in fact, a motion of want of confidence because if it were carried, the Government's motion would be lost; and the Government, instead of driving ahead, as it must do, to dispatch the 16,000 reinforcements from the N.R.M.A. and the further reinforcements required from time to time, would cease to function, and the whole matter of dispatching these men, which I have so earnestly advocated, would be thrown into the realm of uncertainty and suspense.
>
> I have come to the conclusion that I will not by my vote permit that to happen. I have worked too hard in my humble way to help to bring about the changed policy of the Government to jeopardize or give any excuse for delaying the prompt dispatch of these 16,000 men overseas. If the amendment were carried, I confess that I cannot, and I doubt if anyone can foresee clearly or with any reasonable certainty what would happen about the sending of these men. There would follow attempts to form a new Government, the probable necessity of any new government having the assurance of the support of the House, and the delays and uncertainties which are inevitable in a course of that kind. Or, instead of the formation of a new government there might be dissolution of the House and a general election. Either one of these alternatives, while some people might regard them as preferable to the present situation, would constitute in my judgment a definite deterrent to the quick dispatch of these reinforcements.

Colonel Ralston might have gone farther than that. He might have said that the turmoil of an election would be not only a deterrent to the quick dispatch of reinforcements but an encouragement to the enemy.

Now, honourable senators, all I ask is this. Did the Prime Minister have the same obligation to give consideration to those questions that Colonel Ralston had. Cannot anybody read between the lines and learn what the situation is in this country? Let us go back to four weeks ago. Colonel Ralston has said that at that time he would have accepted this Order in Council. Why? Because it would have brought about a reasonable accomplishment of what we wanted, and it would have prevented the disruption of the Government. That is what he meant. I ask my honourable friend, whether the Prime Minister was not involved in the same kind of consideration. Did not the Prime Minister from the standpoint of public welfare have the same obligation to avoid disruption of the Government?

Hon. Mr. HORNER: I should like to make this interjection, since I understand the honourable gentleman will not be here to-morrow, when I intend to reply to him. My answer is this, if you put the question to me: The need was there and quite plainly visible in October. Then why not repay the Minister who was tried and true, and so save this turmoil you are speaking of?

Hon. Mr. FARRIS: Is there anything to indicate that at that time the Prime Minister could have put through this Order in Council without disrupting Canada?

Hon. Mr. HORNER: Absolutely, just the same as now.

Hon. Mr. FARRIS: I know this. One of the Ministers that I think all of us admire as much as any member of the Government, one who is familiarly termed even by those who are not closely acquainted with him as "Chubby" Power, the man who had done a wonderful piece of work in organizing the Commonwealth Air Training Plan. a man of fine intellect, went out of the Government even after the Prime Minister had again demonstrated his willingness to give the voluntary system a second trial. My honourable friend laughs. Is it not a fact that the Minister of Defence for Air has resigned, and is it not a fact that other members of the Government—probably just as many as take the other view—hold more or less the same view as Mr. Power? Is it not a fact that if we are to carry on a united war effort we must have in the Cabinet representation from the province of Quebec?

Hon. Mr. BALLANTYNE: Borden's ministers left him.

Hon. Mr. FARRIS: Yes, that is so. But I ask my honourable friend, would he not sooner have had the Order in Council that was finally worked out than have seen a sufficient number of Ministers resign last October to make it necessary for the Government to retire, thus throwing the country into the turmoil of an election?

Hon. Mr. HAIG: I do not know.

Hon. Mr. FARRIS: All right, if honourable members opposite are prepared to say. "No. We would sooner have busted things wide open; we would sooner have submitted that issue to the people at that time and made an exhibition of ourselves to all the world. including Germany"—

Hon. Mr. HORNER: They had an election in the United States without any turmoil.

Hon. Mr. FARRIS: They never had an election in the United States with the break-up of a Government on an issue of that kind. That is the difference. I do not say that an election at this time would create that situation, but I say an election on that issue, with the animosities it would create, would have seriously endangered national unity. My honourable friend from Saltcoats (Hon. Mr. Calder) is listening to me very carefully. He will, I am sure, confirm me when I say that no matter how necessary the election was in 1917, there were some very unfortunate features about it. He will confirm my statement that a bitterness was stirred up which, if possible, it would have been well to avoid.

Hon. Mr. BALLANTYNE: It was nothing compared to the bitterness that prevails to-day. I happened to have the honour and privilege of being the first Liberal to enter the Union Government.

Hon. Mr. FARRIS: I am very glad my honourable friend confirms the point I am making, that the bitterness to-day is more intense, and consequently that an election in these times would have been just that much more unfortunate. It would have given encouragement to the enemy much greater than he is deriving from the present situation. Any Prime Minister who has stood in the breach and attempted to work out a solution so that there may be a continuance of the Government has done a service to Canada, and he should not have been attacked so bitterly—at least the attacks should be modified when the full situation is appreciated.

Hon. Mr. CALDER: May I at this point in the honourable gentleman's argument offer what is simply an opinion? I have followed him very closely, and I must state that I agree with much of what he says. This ques-

tion is undoubtedly an exceedingly controversial one. If at all possible controversy should be avoided during the war. As has been stated, several countries, such as Australia, South Africa, and Northern Ireland, have not accepted the principle of compulsory service. It seems to me that so far as the future is concerned, that question should be decided in peace-time and not during war.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: Once the Parliament of a democratic country decides on war, as our Parliament did unanimously, and starts on a purely voluntary system and carries it on for more than two years, to follow that with a conscriptive system is exceedingly difficult and is bound to result in great disunity throughout the country.

In the last war exactly the same thing occurred as has occurred in this war. We started out on a voluntary basis and continued on that basis until around the end of 1916, and the compulsory system really came into operation in 1917. We have exactly that situation to-day. It does not differ materially in any respect at all that I can see. The time came when the voluntary system failed, if we were to carry out our commitments. A similar situation exists to-day. But there is one very material difference. In the last war our forces got into the field early in 1915, and they continued in the field during 1916 and all through 1917. In this war D-day was on June 6 of this year. True, we had certain forces in Italy before D-day, but in the last war our forces were longer in the field and their casualties were very great. Consequently, if we were to meet our commitments conscription had to be adopted. Our casualties have been exceedingly heavy since D-day. At any rate, we know there is absolutely no question at all that if we are to fulfil our obligations reinforcements must be secured.

Hon. Mr. FARRIS: I agree with every word my honourable friend has said. My argument was simply directed to this question: First, that the form in which the present Order in Council is drafted meets a situation, and meets it better than would—what shall I say? —a rubbing-it-in Order in Council, because, as Mr. Ralston has said, under it we are able to carry on.

Hon. Mr. CALDER: But to what point?

Hon. Mr. FARRIS: To the limit.

Hon. Mr. CALDER: No, no.

Hon. Mr. FARRIS: I disagree entirely with my honourable friend. I say that the Order in Council, plus the promise given by the Prime Minister, plus the declaration made by the General who for five years commanded our army overseas—

Hon. Mr. CALDER: Probably I misunderstood the honourable gentleman. I understood him to say that the provisions of this Order in Council will be all that is necessary. Colonel Ralston did not say that. He said that the 16,000 additional men will carry us over until the end of next May.

Hon. Mr. FARRIS: Yes.

Hon. Mr. CALDER: But any requirements after May will not be provided for unless further Orders in Council are passed.

Hon. Mr. FARRIS: My honourable friend knows that passing Orders in Council is the easiest thing a Government can do. With all deference, it seems to me that these things are —I was almost going to say quibbles; but I know my honourable friend does not quibble.

Hon. Mr. CALDER: No.

Hon. Mr. FARRIS: I think we are dealing with non-essentials. The main thing here is a thing of substance. You have a Government to-day carrying on under an Order in Council which establishes the principle of conscription, and also you have the pledge of the Prime Minister and the General who organized and led our Canadian Army overseas, and who is now the Minister of National Defence, that as further reinforcements are needed, everything will be done to procure them and send forward as required. You have got the thing of substance; why worry about the form?

Hon. Mr. CALDER: May I add one word? I understand this is the view Colonel Ralston takes. If that policy is pursued—I quite understand why the Government desires it, and I am not criticizing it on that account —but if that policy is pursued, you have two separate forces in the present conscripted home defence army. One section of these forces must go to Europe and another section is, at least for the time being, excused from going to Europe. Now, I say that if that policy is pursued very much further you are only going to intensify the disunity that now exists. There is a further point to be considered. Everybody knows—and the men who were discussing this before us at the secret meeting know it perfectly well—that there is a possibility, if not a likelihood, that the war will continue until after May, in which event additional reinforcements must be ready to go. What harm would be done if all the men were put into one class? They would not have to be sent out of Canada unless they were required, but if required

they would be ready to go. And there would be the additional advantage of having every man in the force on exactly the same basis.

Hon. Mr. FARRIS: The answer to that is two-fold. In the first place, no matter how the Order in Council may be drafted, there are at present only 8,000 men available to go.

Hon. Mr. CALDER: Quite right.

Hon. Mr. FARRIS: And there are only 8,000 more in the process of training that will fit them to be the next ones to go.

Hon. Mr. BALLANTYNE: There are 26,000 more.

Hon. Mr. CALDER: How long does it take to train a man?

Hon. Mr. FARRIS: It does not take very long. As to the remaining men, we have General McNaughton's statement that he is taking all necessary steps to have them trained and made available to go next.

Hon. Mr. CALDER: I was thinking of the viewpoint of the men in the force.

Hon. Mr. FARRIS: I think the way to handle men in the force is to tell them that they are required to go overseas because reinforcements are necessary, and not to encourage them to feel that they are being discriminated against.

I also want to deal with my honourable friend's statement that in the last war conscription was recognized as necessary and put into force as soon as possible. I would point out to him that Sir Robert Borden was confronted with the same problem that has confronted Mr. Mackenzie King.

Hon. Mr. CALDER: Certainly.

Hon. Mr. FARRIS: I mean the problem of disunity. Sir Robert Borden offered to go to greater lengths than ever Mr. Mackenzie King has done. I should like to read a couple of quotations from Sir Robert Borden's Memoirs. In the second volume, at page 698, he says:

> I myself stated to Parliament . . .

This was on May 15, 1917.

> I myself stated to Parliament that nothing but voluntary enlistment was proposed by the Government.

That was up to that time.

> But I return to Canada impressed at once with the extreme gravity of the situation, and with a sense of responsibility for our further effort at the most critical period of the war. It is apparent to me that the voluntary system will not yield further substantial results. I hoped it would. The Government has made every effort within its power, so far as I can judge.

He uses almost the words of Colonel Ralston. Mark you, honourable senators, that was in May, 1917. Then on page 740 he refers to a conference held at Government House on August 9, between himself, Sir Lomer Gouin, and Sir Wilfrid Laurier, and he says this:

> Finally I proposed: 1. Coalition; 2. Suspend Military Service Act for six months; 3. Extend parliamentary term for six months; 4. United appeal for recruits.

He says, on page 741, that he was urged to offer to Sir Wilfrid Laurier in the House of Commons what had been proposed at that conference, but upon consideration he thought this would be unwise.

There is Sir Robert Borden's own statement. He came back from overseas in April or May of 1917, and on the 15th of May he said: "Voluntary enlistment has failed, and there is urgent need for conscription." Yet, for the sake of unity in Canada, on the 9th of August he made a proposal that would have postponed the operation of the Military Service for six months.

Hon. Mr. CALDER: But he had a very good reason for doing that.

Hon. Mr. FARRIS: Of course he had.

Hon. Mr. CALDER: If he could have formed a union with Sir Wilfrid Laurier at that time, during the next six months volunteers would have been recruited on a greatly increased scale.

Hon. Mr. FARRIS: That is what he hoped. But when the present Prime Minister is confronted, more or less suddenly, with a serious situation, my honourable friends are not willing that he should take three weeks to consider it, under the advice of the man—

Hon. Mr. CALDER: Don't blame me.

Hon. Mr. FARRIS: I am not blaming any one. I say, it seems to be felt that he should not have taken three weeks to consider this serious problem, under the advice of the man who for five years was the Commander in Chief of the Canadian Army. For three weeks the Prime Minister thought it advisable to give the voluntary system a further trial, under the leadership of General McNaughton, for the sake of what? Not for the sake of saving the Liberal party, but for the sake of the preservation of organized government in this country.

Hon. Mr. HORNER: But he never thought of consulting the Opposition, as Sir Robert Borden did.

Hon. Mr. FARRIS: Sir Robert Borden did not consult the Opposition until after he had adopted and announced his policy. I remem-

ber that one of the complaints Sir Wilfrid Laurier made was: "You have not given me an opportunity to co-operate in what was to be done. You have settled the policy and put it up to me to take it or leave it." I am not desirous of going into that now, and referred to it only by way of reply to my honourable friend. I certainly am not questioning the great work that was done by Sir Robert Borden and others during the last war. I am pointing out that Sir Robert Borden recognized the gravity of the problem, and he knew it was worth while to try to avoid disruption in this country. If that precaution was necessary in 1917, my honourable friend has emphasized how much more it is necessary now, for he pointed out that the intensity of feeling at present is far greater than it was at that time. And that intensity is not on one side alone; it is on both sides. I am afraid that if we do not keep our heads there is danger of a very serious break-up of unity in this country.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Why?

Hon. Mr. FARRIS: If Mr. Mackenzie King had not been able to carry the majority of his colleagues with him, and if a union government had been formed, that government would have been confronted at once with a challenge. Our honourable friend from Grandville (Hon. Sir Thomas Chapais), one of the most respected members of the Senate, would be declaring in Quebec his convictions against conscription. But not only the sober-minded men of that province and of other provinces would have expressed their views; the extremists would have been active too. There would have developed a situation that every French-speaking citizen of this country would hate to see, as would every English-speaking citizen too, and out of it all our country would have received wounds that could not have been healed in a generation.

I have no doubt, also, that the turmoil might have helped to prolong the war. There is good reason for saying that. From what I have read in newspapers and magazines, the one thing that German propagandists keep on telling their people is this: "Hold on. There will be a blow-up among the Allies, and we shall get better peace terms."

Is there any honourable member who does not believe that a demonstration of disunity in this country is the very kind of thing the German propagandists would have seized upon to magnify and distort over the radio and in their newspaper columns? They would have said: "Not only is there a likelihood of a split between some of the large Allied powers, but the greatest British Dominion is engaged in an internal feud."

Hon. Mr. HORNER: I have no fear. This is still a democracy.

Hon. Mr. FARRIS: My honourable friend says he has no fear. I congratulate him upon his immunity from fear in this regard. I too have no fear now, for I believe that the problem will be worked out satisfactorily. But I say this, that in the middle of October the Prime Minister of Canada had greater reason for apprehension than Sir Robert Borden had in those trying days of April, May, June, July and August, and even later, in 1917.

Hon. Mr. BALLANTYNE: But Sir Robert Borden formed a union government and offered to resign.

Hon. Mr. FARRIS: I do not think that a union government would solve the problem at this stage. There would be an acrimonious election campaign and numerous demonstrations of lack of unity in this country.

Honourable senators, I have spoken longer than I intended. But if I had been subject to a time limit, His Honour the Speaker would have made generous allowance for the many interruptions. In closing, I want to say a word about General McNaughton and Mr. Mackenzie King. I did have some material ready about certain newspapers, the Globe and Mail in particular. I hope that paper will have occasion to recognize that the government of this country must be carried on, and that if a vote of confidence is passed it must for the time being be carried on under the present administration; and further, that in the interests of all newspapers and all citizens it is essential under those conditions that some measure of public confidence be restored so that constitutional government may be carried on without appeals of a kind that are wringing the very hearts and souls of the mothers and fathers of our soldiers.

Hon. Mr. HORNER: What you would like, apparently, would be the same strict control they have in Germany, where no newspaper would dare to criticize the Government. You would prefer to have every newspaper support Liberal policies.

Hon. Mr. FARRIS: I am sorry my honourable friend turns a deaf ear to my argument. It is no reflection on him when I say I hope others will take what I think is the saner and wider outlook.

Now I want to say a word about General McNaughton. I have before me a quotation from a report of a speech by Mr. Bracken.

He speaks as a public man, and I take it that my friend from Winnipeg will concede my right to quote his remarks, even to criticize them.

Hon. Mr. HAIG: Surely, if you want to.

Hon. Mr. FARRIS: This is a Canadian Press dispatch which went out to the newspapers of Canada:

The Prime Minister has dropped a tried and experienced administrator and taken on one who had been dismissed but a few months before.

I do not know whether Mr. Bracken said that or not, but my information is that General McNaughton was not dismissed. It was stated by Mr. Ralston that General McNaughton, being in ill health, had tendered his resignation, and it was accepted. I think if Mr. Bracken made that statement my honourable friend should get hold of him and give him the facts. I am sure if he did so Mr. Bracken would correct his statement.

Hon. Mr. HAIG: Why did General McNaughton come home?

Hon. Mr. FARRIS: It was stated by the then Minister of National Defence that the General was in ill health.

Hon. Mr. HAIG: He got better very quickly.

Hon. Mr. FARRIS: Not so very.

Hon. A. L. BEAUBIEN: You don't want him to die, do you?

Hon. Mr. HAIG: He denied the ill health part of the statement.

Hon. Mr. FARRIS: I do not know whether he did or not.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Never make a statement unless you know it is correct.

Hon. Mr. FARRIS: I do not know of any evidence to support the statement that General McNaughton was dismissed. He went overseas with the first contingent of the Canadian Army.

Hon. Mr. HAIG: Why did he really come home? Tell us. You know.

Hon. Mr. FARRIS: My honourable friend has no right to put his question with that implication. I am trying to conduct this debate fairly, and I do not think my friend should attach any implication to his question.

Hon. Mr. HAIG: Don't worry. You had better stay and listen to me to-morrow.

Hon. Mr. FARRIS: I am not running away, but I am not so sure that anything my honourable friend may say would justify my remaining over.

Hon. Mr. HAIG: All right.

Hon. Mr. FARRIS: I think I may survive if I read his speech later.

Hon. Mr. HAIG: I am sure you will.

Hon. Mr. FARRIS: If my honourable friend wants to put in a wedge of ill feeling that may continue for some time he is quite at liberty to proceed along the line he is now taking. I submit that the man who for five years was good enough to be the Commander in Chief of the Canadian Army, who was looked upon with admiration by the people of Canada, and who built up an army that is the pride of Canada, should not be harshly criticized because for three or four weeks he thought he could do something which later he frankly admitted he could not do. What has happened as a result of his effort has made it possible for the Government to carry on without an election.

Let me refer again to something that I have related before in this Chamber. In company with my honourable friend the leader on this side (Hon. Mr. King) I came to Ottawa to appear before the Supreme Court on behalf of the province. I was acting as Attorney-General. We went down to the Victoria Museum, where the House of Commons and the Senate were being accommodated after the fire which destroyed the old Parliament Buildings. We called on Sir Wilfrid Laurier. The impression I carried away with me was that his main concern was not the winning of the impending election; he did not believe he could; but rather the holding together of Canada and the making of a contribution to the people of Quebec who had confidence in him, so that after the turmoil was over unity might continue in this country. As you know, at that time Sir Wilfrid was reviled. In 1942 I read into the record quotations from Skelton's book about the scandalous charges then made against Sir Wilfrid. To-day I am confident my honourable friends opposite will pay their tribute to him for his high ideals and for carrying out his duty in accordance with those ideals. I make this prediction, and I make it in the same spirit that prompted me to support Sir Wilfrid Laurier at that time: that when the turmoil and the bitterness of the present occasion is past, when the actions and conduct of Mackenzie King are seen in proper perspective, he will be fully appreciated and generous tributes will be paid to him, and along with Borden and Laurier he will go down in the history of this country as a great statesman who served Canada faithfully and well.

Hon. A. L. BEAUBIEN: Honourable senators, a little while ago when the honourable gentleman who has just resumed his seat was speaking I was asked to read a newspaper statement which I had referred to. I find it in the Ottawa Evening Citizen of Tuesday, November 28. It appears in a report of the Ottawa West Progressive Conservative convention at which Mr. McRostie was chosen as candidate. I do not intend to take the time of the Senate by reading the whole dispatch.

Hon. Mr. BALLANTYNE: No, just read the allegation.

Hon. A. L. BEAUBIEN: Here is what Mr. Bracken said.

Hon. Mr. CALDER: What the reporter said he said.

Hon. A. L. BEAUBIEN: It is reported in all the papers. I shall read this short passage. If my honourable friend wants the whole dispatch it will be up to him to read it. This is the paragraph:

> The leader of the Government, declared Mr. Bracken, having exhausted his capacity of evasion, having come to the point where he had to choose between his five-year-old cowardly war policy—

Hon. Mr. BALLANTYNE: Ah, that is different.

Hon. Mr. HAIG: You said he called the Prime Minister a coward.

Hon. A. L. BEAUBIEN: Surely one who holds on to a cowardly policy is a coward.

Hon. Mr. HAIG: Oh, no, that is quite a different thing.

Hon. Mr. HORNER: I will say that for you. It is a cowardly policy.

Hon. A. L. BEAUBIEN: Let me complete the quotation:

> —to choose between his five-year-old cowardly war policy and holding on to office, decided to hold on to office at whatever price.

Hon. Mr. BALLANTYNE: But my honourable friend said that Mr. Bracken had called the Prime Minister a coward. He did nothing of the kind.

Hon. A. L. BEAUBIEN: What is the difference?

Hon. Mr. BALLANTYNE: A cowardly policy is something entirely different.

Hon. A. L. BEAUBIEN: No man can carry on a cowardly policy unless he is a coward.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): What else could he do?

Hon. Mr. BALLANTYNE: Before my deskmate (Hon. Mr. Haig) moves adjournment of the debate, I should like to hear from the leader opposite what are the prospects of both Houses adjourning? If we are to have a number of speeches, why not sit to-night as well as to-morrow, in order that we may conclude the debate.

Hon. Mr. KING: It has been difficult for me to advise the House on the procedure we should follow. We might continue the debate to-morrow afternoon and bring it to a conclusion, and at that time we should be better informed on developments in the other Chamber. I gather from the information that has come to me that the debate in the Commons may not be concluded before next Tuesday. That being so, if we are able to conclude our business to-morrow afternoon we could adjourn until next Monday and await developments in the other House.

Hon. Mr. LAMBERT: I would suggest that we meet again this evening.

Hon. Mr. HAIG: I do not intend to speak to-night, and I am quite willing to make way for the honourable senator from Ottawa.

Hon. Mr. LAMBERT: I have no intention of speaking at all, but I think the discussion this afternoon was of such an interesting character that the continuity would be better if the Senate were to meet to-night as well as to-morrow.

Hon. Mr. KING: I am in the hands of honourable senators. My honourable friend from Winnipeg advised me a short while ago that he would like to adjourn the debate and proceed to-morrow.

Hon. Mr. HAIG: That is right.

Hon. Mr. KING: It seems to me a reasonable request. If he would adjourn the debate, we could adjourn until 3 o'clock to-morrow.

Hon. Mr. HAIG: Thanks very much. Like the honourable junior member from Vancouver (Hon. Mr. Farris), I want to get out of town to-morrow night. I move the adjournment of the debate.

The motion was agreed to, and the debate was adjourned.

SITTINGS OF THE SENATE

Hon. Mr. BLACK: Before we adjourn, may I ask the honourable leader opposite whether he thinks it necessary for the Senate to continue in session after this debate is concluded? In all probability there will be no legislation.

Hon. Mr. KING: Probably not.

Hon. Mr. BLACK: It seems to me that once this debate is concluded the Senate might well adjourn.

Hon. Mr. KING: Yes. But while the other House is in session no one can say definitely that the Government might not find it necessary to introduce legislation to give effect to some particular policy. That is one of the reasons why we were called here in the first place. There was also the possibility of prorogation, but I think that is out of the question, since the Prime Minister has given notice of motion that when the House of Commons adjourns it will stand adjourned until the 31st of January.

Hon. Mr. HAIG: He has.

Hon. Mr. KING: We had better wait until to-morrow, when we shall probably be in a better position to decide our course of action.

The Senate adjourned until tomorrow at 3 p.m.

THE SENATE

Friday, December 1, 1944.

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

Prayers and routine proceedings.

ADJOURNMENT—EMERGENCY SITTINGS

Hon. Mr. KING moved:

That when the Senate adjourns, on completion of current business of the session, it stand adjourned until Wednesday, January 31, 1945, at 3 o'clock in the afternoon.

He said: I should add, honourable senators, that this adjournment will be subject to the resolution passed at the beginning of the session empowering His Honour the Speaker to summon the Senate at any time he may deem it necessary.

The Hon. the SPEAKER: Honourable senators, by virtue of the resolution passed on January 27, the Senate may be reconvened at any time prior to the date specified in the motion that has just been made.

The motion was agreed to.

OVERSEAS REINFORCEMENTS

POLICY OF THE GOVERNMENT

The Senate resumed from yesterday the adjourned debate on the policy of the Government with respect to overseas reinforcements.

Hon. JOHN T. HAIG: Honourable senators, I listened yesterday afternoon with a good deal of interest to the addresses by the honourable leader of the House (Hon. Mr. King), and the honourable leader on this side (Hon. Mr. Ballantyne). Maybe some of us interrupted the leader of the House once or twice, but I can assure him now, if he does not know it, that we did it with the best of good will. I am sorry that the honourable gentleman from Vancouver South (Hon. Mr. Farris) is not in his place, for I should like to say the same thing to him. The interruptions were not an indication of ill will towards him or opposition to what he was saying. A virile, experienced debater like the senator from Vancouver South does not fear interruptions very much; in fact, I think he does not fear them at all, but rather welcomes them.

I am going to try—I may fail—to address myself to this subject in a manner that I consider befitting to a member of this House. No part of our governmental machinery has a greater responsibility in seeking a solution of the present problem than has the Senate. We do not need to get excited about whether we are going to lose votes in Manitoba or British Columbia or any other place because of what we do here. We can also bear in mind that first and foremost we all are Canadians. I am not trying to tell other men what they should do; I am not trying to give you a lecture; I am just stating my own attitude. My esteem for my fellow members of this House is so high, that I believe their attitude is the same. We may differ, even sharply, but I think the motive of everyone of us is to do what in our judgment is best for Canada. Our judgment may be wrong, but at any rate that is the motive of every member of this House. That is the feeling I have acquired with respect to my fellow members in the short time that I have been here. I may at times take violent exception to what some honourable members say. I liked something that I heard Hon. Mr. Cardin—if I may mention his name—say in another place last night. He said, "I wish I could talk as quietly and as easily as the former Minister of National Defence did; but I cannot do that." Now, I am a little like Mr. Cardin, for I cannot do that either. After I have been going a while I get warmed up. But I will try to approach this subject in the attitude that I at least should like to take not only towards this House but towards my fellow Canadians.

On the 9th of September, 1939, those of us who were then members of the Senate of Canada stood up and voted unanimously in favour of this country taking part on the side of the Allies in the great struggle against Germany and the other totalitarian nations. We did it of our own free will. Speaking for myself, I was under no misunderstanding as to what I was doing. As I said once before in this House, I knew quite clearly that some six young men of my kin would come under

the obligation to go to war. One of them has already paid the supreme sacrifice in Africa; four of them at this moment are in France or flying over Germany, and the other is on the sea. I knew what I was doing, as I think every honourable member knew what he was doing. We knew also that Canada would make a great war effort, not only in industry, but in finance, in agriculture, in forestry and in the field of our natural resources. Some of us entertained the feeling expressed yesterday by the honourable senator from Grandville (Hon. Sir Thomas Chapais). I must be quite honest with myself, and to be frank, I wonder sometimes whether we, a small nation with a population of eleven and a half million people, have not gone a little too far. I am not saying that in any spirit of criticism.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: I say that in respect of every department of our effort. I am not criticizing the Government at all, because any government would have done just the same. I say it for the reason that every member of this House, irrespective of party affiliations, feels that when this war is over and our young men and young women come back, and our people who are engaged in war industry and in agriculture go back to their ordinary occupations—and some of our farmers to-day are working away beyond the years when they should be working—we must remember that they may require more than we really think they need.

I am not one of those who say that there is going to be pie in the sky for everybody. Some persons would even go so far as to say that there will be pie a la mode in the sky. No, I want to be sure there will be bread and butter and clothes and housing for all our people. In 1939 when we voted in favour of Canada going to war, we knew what would happen.

I do not intend to compare this war with the first Great War, for no advantage would be gained by doing so, but I want to say one or two things about the last war. All honourable members within the sound of my voice know what happened at that time. In those days all we thought of in order to raise an army was the voluntary system, and that is all that Britain thought of. At the outbreak of this war, with the experience we gained in the last, we knew that some day we would reach the bottom of the barrel in regard to manpower. That was inevitable. Any man of experience had only to recall what happened in the last war to know that we would get into that position. The Government might be criticized on this ground, but I do not wish to stress that. I am not sure that the men in charge of the Army, the Navy and the Air Force were not, as was said in another place the other day, a little too keen to get the maximum amount of manpower in their particular departments.

I also knew from what happened in 1939, whether in the air, at sea, in the ack-ack batteries, or whatever other section of the Army it might be, that some day we would get to the bottom of the barrel—no further recruits would be forthcoming. We reached that point some time in the last couple of months. The shortage came in the infantry.

Hon. Mr. CALDER: Not in the air.

Hon. Mr. HAIG: No, there were too many volunteers there, and men were eager to volunteer for the Navy and the mechanized service. I do not want to boast, but, I may be pardoned a personal reference. I always said to my boy in the Air Force that ultimately the man behind the gun would win the war. That has been the history of all wars from time immemorial.

In the winter of 1940 the Government appealed to the country. I am not sure about the Social Crediters; there is a difference of opinion about where they stood, one member having tried to show that they were against compulsory service, but I have found that in all their speeches they were in favour of compulsory service. However, they are only a minority. The three major parties were all against compulsory service. The Government was sustained by a large majority.

In 1940, at the session following the election, the Government introduced the National Resources Mobilization Act. It covered everything, including manpower for service in Canada only. In the session which opened on January 22, 1942, the Government intimated in the Speech from the Throne that by means of a plebiscite it would seek release from any obligation arising out of its promise made in the election of 1940 to restrict the methods of raising men for military service. What, specifically, was this promise? As far as we are concerned to-day, the only thing I need discuss is the Government promise that draftees would not be sent outside of Canada. That was the promise.

Hon. A. L. BEAUBIEN: Compulsorily.

Hon. Mr. HAIG: Oh, yes, compulsorily. A plebiscite was held. I am going to voice a feeling to-day that I have always had, and I am sorry I did not voice it when Bill 80 was before this House. I do not believe a plebiscite can release any member of Parliament from a promise he has made to his electors. If as

a candidate for a seat in the House of Commons I make a promise to the electors, the only way I can get a release from it is by resigning my seat, going back to my riding and telling the people, "I withdraw my promise. Now, will you re-elect me as your representative?" I think the same principle applies to a promise made by a Government. If the plebiscite vote showed unanimity in every province, then it might be said that Conservatives, Liberals, and C.C.F. members of Parliament were released from their promises. Take the people in Manitoba who voted "No." These may have been the very people whose votes elected the various candidates. Well, they certainly did not release the candidates. However, that is past and gone. The plebiscite was accepted as a release of the Government's pledge.

In 1942 we passed an amendment to the National Resources Mobilization Act and thereby empowered the Government to authorize by Order in Council the sending of drafted men anywhere they might be needed. Up until June of this year our infantry forces had not been extensively engaged in warfare. True, they were at Dieppe; true, they were at Hong Kong; true, they were in Sicily and Italy. But the engagements in those places were not large, when one considers the size of the army. Large scale operations by the infantry commenced with the landing in France on D-day, and have been going on there ever since. Within less than six months of that landing the crisis arose.

Now, let me go back and consider what caused that crisis. The first cause of it, of course, was our declaration of war in 1939, which we made unanimously. The second cause was the size of our military commitments to our allies. I do not know how these commitments are made, for I never was in a government, but in some way or another we agreed to place so many divisions in Italy and so many in France. Now, don't forget that, as the honourable senator from Grandville (Hon. Sir Thomas Chapais) pointed out yesterday, nearly one million men have volunteered in this country. But some two hundred thousand or so have been released for medical, and other reasons, and as we have been told, the casualties have been higher than were expected. So the only way to prevent the barrel from being drained to the bottom was to apply conscription. If I understood correctly what Colonel Ralston said in another place, General Stuart intimated in June that the pools were short of reinforcements, but that he was switching men from other branches into the infantry and thought he could take care of the needs.

Hon. A. L. BEAUBIEN: In August.

Hon. Mr. HAIG: I know that was stated in August, but in June it was suggested that a problem might arise because of the shortage of men. In August there was a direct cablegram from General Stuart stating that there was a shortage of reinforcements for the infantry, and that he was transferring men from other arms of the service. That was a report to the Minister, who of course could have repudiated what was being done if he did not like it.

Now I come to a further explanation of how this crisis arose. All over Canada Canadian fathers and mothers whose boys were in Italy or France were getting letters indicating that there were shortages in the ranks and that some raw men were being put in—I do not mean completely raw men, but men not fully trained. Let us not forget that those letters were being received all over Canada. I myself read one written in France on the 16th of September by my young nephew. He was not criticizing anybody at all, but reporting to his dad. Then in September a wounded soldier, by the name of Connie Smythe, came back to his home in Toronto, and stated that men whose training had not been completed were being used as reinforcements. I do not know what other honourable members did, but from then on I watched the newspapers constantly to see what reply the Minister of National Defence would make to that criticism. Some papers said Connie Smythe was looking for political preferment. Maybe he was; I do not know. We did know that he was a soldier who had faced the enemy's guns in France and been wounded. Before going overseas he had been the manager of a great hockey organization, and had not been in politics. I was a bit worried about the statement he made, as I think everybody else was. And Colonel Ralston said not a word in reply to it.

The next thing we heard was that Colonel Ralston had left to make a tour of the battle fronts, and we were more disturbed than ever. Now, let no one think that we politicians—if that is what we are—were the class of people chiefly disturbed. We were not half as disturbed as the people all over Canada whose boys were in France and Italy. They were really disturbed. Then suddenly we heard that Colonel Ralston was on the way home, and, next day, that he had arrived. The day after that the Cabinet crisis began.

The present Prime Minister has been opposed to the policy of compulsory military service. That is what he says, and his record to date bears it out. On the 13th of October, I think it was, he got a cable from Colonel

Ralston and was confronted with the serious problem arising from lack of overseas reinforcements. The seriousness of the problem was confirmed on the 19th, when he saw Colonel Ralston personally and was told that 15,000 trained men were needed overseas at once, and that the only men available to meet this need were N.R.M.A. draftees.

Hon. A. L. BEAUBIEN: May I interrupt my honourable friend for a minute?

Hon. Mr. HAIG: Surely.

Hon. A. L. BEAUBIEN: Did Colonel Ralston state that his officers denied the accuracy of the charges made by Major Smythe?

Hon. Mr. HAIG: It was not the kind of denial that Colonel Ralston is known to make, and it did not stick. He does not depend on his officers.

Hon. A. L. BEAUBIEN: Everybody says he is an honest man.

Hon. Mr. HAIG: I am not questioning that. The denial did not ring true; it left a feeling that there was something yet to come. It did not convince me anyway. I hoped that Major Smythe was wrong, but when I got a letter from my nephew I was convinced that the Major's charges were well founded. That lad of twenty, a member of a tank crew, told me what was happening.

Hon. A. L. BEAUBIEN: Mr. Coldwell, the C.C.F leader, on returning to Canada from a visit to the war fronts declared in a press conference that he had spoken to various officers and they had made no complaints to him.

Hon. Mr. HAIG: He took a Cook's tour of the front. Colonel Ralston did not take that kind of tour. After a thorough inspection of the battlefronts in Italy and France, conferring with commanding officers and commanders in the battle-front, he returned home and submitted to the Cabinet his recommendation for the conscription of N.R.M.A. men in order to provide overseas reinforcements to meet an urgent need. The Prime Minister refused to accept the recommendation, and Colonel Ralston stepped out. The Prime Minister brought in another man, and that man said the voluntary system could be made to work and would furnish the reinforcements needed overseas. I do not intend to discuss whether he addressed the war veterans at Arnprior and in this city, or whether he summoned all the District O.C.'s to a conference at headquarters to devise ways and means of speeding up recruiting, for those things are no longer important. By the way, I see that the O.C. of the Manitoba District has resigned because he felt that, the voluntary system having already been given a thorough trial and having failed, manifestly it would be a waste of time to resort to it again to secure recruits.

Parliament was called together in emergency session to consider the situation. I think that was the proper course for the Government to take. I am not sure that politically it was the best thing for the Government to do. When we were called here on the 22nd of November the Government's policy was that the voluntary system should be continued to supply the much-needed reserves. When the Liberal members arrived here I believe there was such an uprising that the Government saw at once that prompt action must be taken or it would not survive the impending crisis.

Hon. Mr. MacLENNAN: You are not objecting to that, are you?

Hon. Mr. HAIG: I am not objecting to it. I am trying to set down in chronological order what led up to the Government's sudden change of front. Whatever precisely happened in caucus we do not know, but next day an Order in Council was laid on the table of the Commons and also on the table of this House authorizing compulsory military service. It may be argued that on the 9th of September, 1939, we started on the road towards compulsory service, that when we passed the National Resources Mobilization Act in 1940 we thereby approved of compulsory military service, and that this was also the effect of what we did in 1942 when we passed Bill 80. But I have had men say to me, "The Liberal party has not given the country compulsory military service." No man can say that to me now. The Order in Council passed on the 23rd of November authorizing compulsory military service was passed by the Liberal Government.

Hon. Mr. CALDER: To the extent of 16,000 men.

Hon. Mr. HAIG: To the extent of 16,000 men—

An Hon. MEMBER: No, no.

Hon. Mr. HAIG: —with a promise that the Government would pass further Orders in Council if and when needed.

Hon. Mr. MacLENNAN: Are you scolding the Government for that?

Hon. Mr. HAIG: No; but I am scolding the Government for this reason: for twenty-three years, with one short exception, the Liberal party has held office because of what happened

in 1917. That is what I object to. The Nazi party in Germany has proved beyond the shadow of doubt that by skilful and subtle propaganda you can educate people to do almost anything you desire. For twenty-seven years we have had a system of education in parts of Canada, my own province included, to the effect that only one of our political parties would be responsible for compulsory military service. Now we know that, given the necessary conditions, every political party will be for it. No matter how much this may be denied, I repeat, every party will be for it.

Let me say a word or two more about what I think may be done. I was a little surprised yesterday at the honourable senator from Vancouver (Hon. Mr. Farris) indulging in such high praise of the Prime Minister. I did not know that this was an issue at all. I thought the issue was: Are we going to get reinforcements for our infantry in France and in Italy? If I were a candidate in the next Dominion election, and I wanted to attack the present Prime Minister, what would I do? Would I talk about him? No, I would just send to every one of my electors a copy of Colonel Ralston's speech and stand or fall by that. That is my answer to the honourable senator from South Vancouver. I ask nothing more than that the people of Canada read what Colonel Ralston said about the Prime Minister in one of the most memorable speeches ever delivered in the House of Commons.

I believe that we as Canadians now recognize the fact that when we go to war we must be ready to make an all-out war effort. Further, if we make commitments beyond what a voluntary system will meet, we then have to impose compulsory military service. Our people, if they accept the first proposition, must accept the second.

I hope that after this war is over we shall never again hear the statements I have heard for the past twenty-five years in my province. I hope there will be no more thought that only the Conservative party send our men to war; that no other parties do. The day that such talk ceases I believe we shall be a more united Canada than we have ever been since Confederation. I have no doubt that men like my honourable friend opposite are just as keen as I am, perhaps keener, to make Canada a great united nation. But you cannot accomplish that if over the years one political party continues to fan the embers of resentment against compulsory service. The Government never would have had to apply conscription if the war had ended six months ago, or even three months ago. Then its supporters could have gone up and down the country and said: "We ran a five-year war without conscription. The Conservatives ran a four-year war and resorted to conscription."

Hon. Mr. BENCH: What bearing would that have had on the present war?

Hon. Mr. HAIG: I will come to that, don't worry. I say that you sit in this House, as do other men, because of the dividends that campaign gave to the Liberal party. The only reason why I, and several others of us, sit in this House—I am quite candid about it—is that somebody allowed 50,000,000 pounds of butter from New Zealand to land in Vancouver two weeks before the election of 1930. Otherwise I would never in the world be sitting here.

Hon. Mr. BENCH: That is quite an admission.

Hon. Mr. HAIG: It is the truth.

Hon. A. L. BEAUBIEN: You slipped in on butter.

Hon. Mr. HAIG: I slipped in on butter, but I was not the only one; there are several others sitting on this side of the House.

Hon. Mr. KING: It was a little more than that.

Hon. Mr. HAIG: Maybe, but that was the main cause.

Hon. Mr. KING: The ending of unemployment next day—that was the promise.

Hon. Mr. HAIG: Let me give my honourable friend some facts that may surprise him. In 1925 the Conservative party carried 112 seats in eight provinces; in 1930 they carried only 113, but they were returned to power in 1930 by the votes of one province. Make no mistake about that. If the twenty-five candidates in that province had received the same support in 1925 that they received in 1930, Arthur Meighen would have been Prime Minister of this country. After the war is over we can all close our ranks and stand up in Ontario, Quebec, the Maritimes, the Western Provinces and British Columbia and appeal to the Canadian spirit, without bringing in the extraneous issues that have beclouded the political life of this country for the past twenty-five years. I plead for that better understanding.

Hon. NORMAN P. LAMBERT: Honourable senators, when yesterday afternoon I suggested that the debate might suitably be continued to the evening, I said that I had no intention of taking part in it. Owing, however, to the unavoidable absence of two or three members on this side I have since undertaken to contribute some scattered impressions and thoughts.

At the outset I must say that the reports I have read in the press are, in my opinion, remarkable for their omission of any reference whatever to one of the ablest speeches that I have ever heard delivered in this Senate, namely, that contributed yesterday afternoon by the honourable senator from Vancouver (Hon. Mr. Farris). This inattention to our deliberations prompts me to remark that our discussion has at least the merit of self-delectation, and I shall proceed with that in mind.

The honourable senator from Winnipeg (Hon. Mr. Haig) should be congratulated on the spirit of conciliation which pervaded his speech. I am afraid, however, that at times he rather left an impression of insincerity, but I am not attributing to him any ulterior motive.

Hon. Mr. HAIG: I think the honourable gentleman should withdraw the word "insincerity."

Hon. Mr. LAMBERT: If the word "insincerity" is unparliamentary, I am quite willing to withdraw it. The honourable senator from Winnipeg reminded me of a young medical student watching with almost morbid curiosity the details of a rather complicated operation being performed by a skilled surgeon. But I would suggest to the honourable gentleman that it is not a post-mortem examination that he has been watching. On the contrary, the operation that has taken place in the last three weeks has been a very successful one, and in my opinion it has left the patient in a much better condition of health than that patient has enjoyed for many a year. I am among those who believe that the so-called crisis which we have had in Canada during the past three or four weeks is one of the most encouraging signs of democracy this country has seen since Confederation. It seems to me that if our people have been suffering from one thing more than another since war broke out, it has been the tendency to fall into a rut or a routine of life under war-time regimentation. As a result of the conomic and financial prosperity that the war has brought to Canada, a certain callousness has developed rather than a live awareness of all that has been involved in the war. So I for one pay my measure of tribute to those who have been successful in arousing public opinion to the pitch that has brought about this meeting of Parliament and the developments that have occurred in the other House.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. LAMBERT: In the special session of 1939 I had the privilege of moving the resolution of acceptance of the Speech from the Throne which marked the entry of Canada into the war. I said then that Canada would prosecute her part in this war to the utmost of her ability. It is absolutely with that point of view in mind that I would speak now. We have no time to be threshing old straw. There is nothing to be gained now from discussing the respective merits of voluntary service and conscription, nor, in my opinion, is there anything to be gained by defending or criticizing or extolling the record of any member of the Government or of the Government as a whole.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. LAMBERT: The fact is that the present Government is required by the people of Canada to finish the job it has undertaken to do in connection with this war. I think it has been made abundantly clear in the last few days that just now there is no one, other than the present Prime Minister, to head this Government; and if there were, the country would not at this moment spare the valuable time required to do all that would be involved in making a change in leadership.

As a matter of fact, I am inclined to make the prediction that if current authoritative opinion regarding the probable duration of the war in Europe is correct, the life of this Parliament is more likely to be prolonged than to be curtailed by dissolution in the near future.

Hon. Mr. BALLANTYNE: My honourable friend is making a very important statement there. I suppose he must have some authority.

Hon. Mr. LAMBERT: I am expressing my own personal view, which I will support with a further statement. I think that beyond doubt one of the effects of the present crisis in our affairs has been the elimination from the public mind of any thought of an election until the war is over. Despite all that the Prime Minister may have said to the contrary, I trust that, if necessary, he will not hesitate to prolong the life of Parliament for the duration of the war.

Hon. Mr. HAIG: Even in spite of his promise?

Hon. Mr. LAMBERT: I say in spite of all that he said to the contrary, I hope that, if necessary, he will not hesitate to prolong the life of this Parliament. And I do not think he has thus far said anything to preclude that possibility.

Hon. Mr. BALLANTYNE: Oh, yes, he has.

Hon. Mr. HAIG: He said he would not extend it.

Hon. Mr. LAMBERT: I am stating my opinion. I am speaking for no one but myself.

Hon. Mr. BLACK: A good deal of wishful thinking.

Hon. Mr. LAMBERT: It seems to me that at the moment there is only one issue, and it can be expressed in both military and the most human of terms, and that is the sending of reinforcements to our men overseas as quickly as possible, in time to be of service to our men on the battle line, and in time to save Canadians at home from the inexpressible shame of having failed to support their men overseas in the hour of need—a failure which, I submit, would seriously dim the lustre of this country's war effort to date, and very materially lower its national status in the eyes of the Allied world.

On the question of national unity, which has been referred to so often and is so close to our minds at this time, I made my position perfectly clear during the debate in this Chamber on the amendment to the National Resources Mobilization Act. It is sufficient now to say that anyone who would endeavour to introduce into this issue any suggestions of racial or interprovincial bitterness would certainly be contributing nothing at all to its solution. I believe sincerely, however, that the cause of nationhood in Canada is vitally involved in the question that is before us; and if we fail to do our duty in sustaining the men of different racial origins who compose our overseas army, and who have given us such an inspiring example of Canadian unity abroad, we shall have sown deep the seeds of discord for another generation in this country to uproot.

As the representative of Ottawa in this Chamber, and one who is intimately acquainted with one of its valiant units overseas—the Cameron Highlanders of Ottawa—may I take the liberty of illustrating at least one example of national unity. That battalion is made up of men of English-speaking and French-speaking backgrounds drawn from this community and the adjacent districts, and has given distinguished service on the western front in Europe since D-day. A young English-speaking lieutenant of the Camerons in writing to me the other day proudly described the men in his platoon, all of whom were recruited from the so-called "lower town" district of Ottawa, as "the toughest fighting group in the battalion," and he went on to say that that was true of them ever since the fighting began. I mention that simply by way of emphasizing to honourable senators that there is no problem or question of national unity for those Canadians engaged in the Battle of Germany; and in my opinion it is our supreme duty to support them with all our strength.

One thing more before I take my seat. Regardless of the extent of Canada's war effort to date, with all its expenditure of man-power and wealth, and its huge accumulation of debt and taxes for years to come, the job has not been completed yet; and just as a chain is no stronger than its weakest link, so our part in this war will be no greater than the complete achievement of our national undertaking waged to the utmost of our ability.

In the classic words of Drake's historic prayer, we may well say:

> When Thou givest to Thy servants to endeavour any great matter, grant us also to know that it is not the beginning, but the continuing of the same until it be thoroughly finished, which yieldeth the true glory.

Hon. R. B. HORNER: Honourable senators, as the leaders on both sides have stated, we all are free to express our own views on the question that we are now considering. Well, I think all honourable senators know what my stand is. Back in 1916, I think, or early in 1917, I was running for a seat in the Saskatchewan Legislature. At that time the whole country was discussing whether conscription would become necessary, and at one of the meetings that I addressed I was asked what I thought about it. I said that the provincial Legislature could have nothing at all to do with that question. However, the audience wanted to know what I thought about it myself, so I replied: "To be perfectly frank with you, I believe there is only one proper method of raising an army, and that is by selective service." I have never at any time changed that opinion, notwithstanding the statement made by Mr. Meighen after the last war as to what he thought the position of the Conservative party should be. I never subscribed to the view that he expressed, and I do not know that any large body of people subscribed to it. To the proposal that he made I have the very same objections that I have to the voluntary system of enlistment.

It has been suggested by some supporters of the Government that there must be some influence at work preventing N.R.M.A. soldiers from volunteering for overseas service; and some people seem to wonder why there has not been a greater response to the appeal made by the Prime Minister. Personally, I think that if he had ever raised a family he would not have made such an appeal. I am not alone in holding that view. As I come from the Prime Minister's own constituency, I consider it necessary to take a keen interest in any special statements that he may make, and I listened carefully to his broadcast appeal for volunteers to reinforce our overseas army. Next morning I called on the president of

one of the Liberal organizations, a man who all through the years has been an organizer and worker for that party, and asked him: "What do you think of the speech that the Prime Minister made last night?" He said, "It would have been much better had he not spoken at all, much better." That was my opinion too.

I want to say something about the way university students have been treated. The examinations are severe, and if a boy fails to make a certain mark his name is given to the military authorities and he is pounced upon by them. He is away from home, and an appeal is made to him to act as a man. Well, some honourable senators know that a boy of nineteen is not a man. The Prime Minister and his Cabinet of mature men, who have been elected in a democratic way, take full authority to tax us to the limit, but on this most important question of military service they appeal to the boy of immature years to do his duty as a man, and place him in a very trying position. I have a boy who has been in the Navy for eight months and is still only nineteen. I may say that he passed at the university, so no one pleaded with him to join up. He stayed with me for a while in my hotel room, where I got a cot for him, and he tossed around and talked in his sleep just as he had done when he was a child. I was reminded of something the late Senator Taylor told me about. At the time of the last war he was a member of the other House, and he challenged his fellow members to go with him to the Lansdowne Park camp after midnight. He said: "The boys are brave in day-time, but at night you can hear them talking in their sleep and calling their mothers. Men of mature years are calling these boys men, which it is a physical impossibility for them to be at their age."

I say that once war is declared, the only proper way to get men is by national selective service. Then these boys do not have to make up their own minds as to what they ought to do; the question is decided for them, as it should be.

I agree entirely with this editorial in the Ottawa Citizen of yesterday:

> Reliance on voluntary enlistment in Canada brought the finest young men in the country into the fighting forces, but it left the defeatist and the disgruntled free to stay at home. The volunteer troops would have gone just as willingly in response to the nation's call by national selective draft—as the fit men of the United Kingdom and the United States responded.

Who is responsible for any difficulty at this late hour? The present Prime Minister in addressing a meeting of Doukhobors a few miles from my village left the impression that only the wicked Conservatives would thrust Canada into war—Vote for the Liberal candidate and there will be no war. They came to me, and I had to do what I have done all through the years of the war—defend the action of the Prime Minister in making that statement to these new Canadians.

I challenge anyone to consider the position of Canada in its enormous war effort, with the burdens placed on the people by a party Government, and then tell me whether anything like that is happening in any other free country. I would also challenge anyone to show me any free country where the government has received the full support that this Government has received from the official opposition. Now apparently we are to be singled out as the party responsible for compulsory military service. The people are to be told, "It was the wicked Conservatives that forced us to take this action." That is the only conclusion I can come to after observing what has taken place in the Parliament of Canada during the last few days. The leader on the other side intimated that it was well known to honourable members of this House and to the people generally that for some time there had been a studied attempt to frustrate the Government's effort to get overseas-service volunteers from men called up under the N.R.M.A. What did the honourable gentleman mean by that? The frustration must have been brought about by the indignities that were heaped on these men. And by whose order? Evidently he was referring to the officers. But the government had control of the officers who were said to be doing the undermining of the voluntary effort to secure recruits, so who did the undermining? Certainly not we. We lent every support we possibly could. I did what I could in every way, shape and form, but I was alarmed and concerned about the kind of reception these boys would get, and what their feelings towards Canada would be after the treatment they had received.

A year or so ago the leader on the other side told us about the expenditure of five or six hundred million dollars on the Home Defence Army, and explained that the heavy expenditure was caused by the fact that so many men enlisted every day from the N.R.M.A. That is true. But I know an instance of a young fellow who enlisted and had his papers all ready and was sent down to Regina. The officers there never even looked at the papers but just threw them on the desk and sent him on to the medical examiner. This man said, "Why, a strong boy like you ought to have enlisted." The boy replied, "I did enlist." The examiner said, "Well, these papers don't show that you volunteered." The boy repeated, "But I did enlist." They then went out to the other

office, where they were told, "Oh, never mind, it is all right. He is taken as a draftee, not as a volunteer." I suspect there are a number of such cases. It is wholly the Government's fault that there is any disunity, and if I were a member of the Government I would hasten to make some amends, for I certainly would like to see those whom we expect to fight for the country treated at all times with dignity.

Hon. Mr. KING: Hear, hear.

Hon. Mr. HORNER: The leader on the other side complained of the press and quoted at great length speeches made in the other House, so I presume that I am free to refer to what was said there. I would direct the attention of honourable senators to this sentence in the Prime Minister's speech last Monday:

I believe some of the officers have not tried to get voluntary enlistments.

Then he puts the question:

How was the public appeal supported?

He is speaking of the special appeal for volunteers for overseas service when the reinforcement situation became critical. He should have known that it would be impossible to secure satisfactory results. Here are the Prime Minister's words:

How was the public appeal supported? The moment that we started on the public appeal, that moment the opposition to anything of the kind on the part of the interests that lie behind this organized effort to force conscription began to make itself felt in every direction—in the press, by meetings, resolutions by veterans' organizations, representations to members and so forth, with the result that instead of the appeal reaching the ears of the people, the ears of the people were dinned by the efforts that were being put forth by those who were determined they were going to have conscription no matter what the cost might be.

There we see preparation being made again to accuse the Conservative party of forcing compulsory military service on our people. The appeal may not succeed in some sections of the country, but undoubtedly those who are making it hope it will bring results in Western Canada. I want to say to honourable senators that there was no organized effort, as charged by the Prime Minister. The Legion did organize its membership, but who in Canada have a better right to reproach the Government than the men who in the last war fought for their country? In another part of the Prime Minister's speech I find the following:

As I have said, I believe with all my heart that a public appeal would have succeeded if we had received the support of honourable leaders opposite, if we had received the support of their following, if we had received the support of their press. Does anyone doubt that for one moment? I say we would have had the necessary men through voluntary enlistment but for the organized opposition that was taken to voluntary enlistment.

Hon. Mr. ASELTINE: Who said that?

Hon. Mr. HORNER: The Prime Minister. Bear in mind, this is a party government. In the country to the south the President invited two of the leading men of the opposition party into his cabinet to take important war posts. As I sat in the gallery of the other House and listened to the Prime Minister, I could not help feeling that he was going to make a slip and use the words "Liberal party" when he was declaring his passionate interest in the country. I was afraid that would happen.

Hon. Mr. KING: He does not make many mistakes.

Hon. Mr. HORNER: Any time last spring the Prime Minister could have told the people what his party would and would not do. But he led us to expect what has turned out to be an impossibility, so any difficulty he finds himself in now is of his own making. "Whatsoever a man soweth, that shall he also reap." The Prime Minister sowed what he is now reaping.

I hope the Government will not continue to accept for active service youths of eighteen or nineteen years of age who are willing to enlist, and allow men of twenty-two and twenty-three years of age to remain here as draftees. From the very start the war effort of this country has been directed by a party government. I do not believe any honourable member can tell me of a similar case among the free democratic countries with whom we are allied in the war against Germany and Japan.

Hon. F. B. BLACK: Honourable senators, I was much surprised to hear a statement that came from the lips of the honourable senator from Ottawa (Hon. Mr. Lambert). I do not know whether he was "flying a kite."

Hon. Mr. GRIESBACH: Ask him.

Hon. Mr. BLACK: I do not think he would tell us. I say to him that if it had not been for the desire of the various parties opposing the Government to see that urgently needed reinforcements were sent to the front immediately there would have been an election at this time. It is only because of that feeling in Parliament and out that this Government is allowed to continue. I think honourable members should keep that very clearly in mind. If the honourable member from Ottawa is under the impression that the country will stand for the prolongation of Parliament beyond the statutory period, I am confident,

if I understand the temper of our people, that events will prove him wrong.

Hon. Mr. LAMBERT: May I ask the honourable gentleman this question? Would he favour having the country delay its war effort while a new government was being organized and an appeal made to the country? If so, and if the war is yet in progress—for after all the last lap of the race is most important —would he still favour an election campaign with all its disturbing effects?

Hon. Mr. BLACK: The honourable gentleman is making another speech.

Hon. Mr. LAMBERT: No, I am merely asking a question.

Hon. Mr. BLACK: If this Government is as able as the honourable gentleman thinks it is—and there are some able ministers—it must know that the term of this Parliament lapses on the 17th of April next; and knowing that, I submit the Government ought to make the necessary preparations for an appeal to the country.

Hon. Mr. LAMBERT: Would you favour an appeal in spite of any other condition?

Hon. Mr. BLACK: There is no precedent in Canadian history for a government prolonging its own life,—

Hon. Mr. LAMBERT: 1916.

Hon. Mr. BLACK: —and there is no demand from the people of Canada for a prolongation of the life of this Parliament. Therefore, unless very extraordinary conditions arise, such as a situation fraught with the greatest danger to the nation, there should be no prolongation of this Parliament.

Hon. Mr. CALDER: May I be permitted to say this, because the question may not be mentioned again? I am quite sure the member from Ottawa knows that the Prime Minister, not once or twice but several times within recent weeks, has stated that in so far as he is concerned he is not in favour of the prolongation of the life of this Parliament.

Hon. Mr. LAMBERT: But is it not true that he also said with equal emphasis that he was not in favour of an election while the war was in progress?

Hon. Mr. CALDER: That makes no difference. The honourable gentleman has asked the question, whether or not the honourable member from Westmorland (Hon. Mr. Black) would be in favour of an election. The Prime Minister has repeatedly made the statement —he made it only the other day in the House of Commons—that he would not at any time be in favour of prolonging the life of Parliament; that a general election should be held in due course when the time arrives. That is quite clear. Pardon my interruption.

Hon. Mr. BLACK: I am glad the honourable senator from Saltcoats (Hon. Mr. Calder) has called our attention to that point.

Let me direct my remarks to the events which led up to this session and to what has happened since. We were called here in emergency session at this critical time for what we all supposed was one purpose only—to get Parliament to approve of a certain policy, because of the dismissal or resignation, whichever it may have been, of Colonel Ralston and the appointment of another Minister of National Defence; and also to get the opinion of Parliament as to whether we would call into the active forces N.R.M.A. men who are now in training in the so-called Home Defence Army. I believe that when the Prime Minister met the House of Commons last Wednesday that was the only thing in his mind. I listened very carefully to his speech, and I am convinced that at that time he had no idea but to continue the voluntary system. He brought in General McNaughton as Minister of National Defence because the General had told him and the public that he felt confident he could get enough reinforcements for our troops overseas by voluntary enlistment. What happened? The master magician, came before Parliament. What did he say then? He admitted frankly that he was unable to pull recruits out of his hat, that he was unable to throw fire from his finger-tips to annihilate the enemy; in a word, he had to recommend sending to the battle-fronts as reinforcements the only trained men we now have in Canada, the N.R.M.A. draftees. That at once put a different face on the whole matter. The Prime Minister's address and General McNaughton's further explanation on the second day of the emergency session clarified the situation and showed that the Government was prepared to act immediately. I take that to be what the Prime Minister meant when he said that he would see that at least 16,000 trained troops were dispatched at once as overseas reinforcements. Undoubtedly everyone in Canada was greatly pleased to have that assurance. True, it came rather late. The Government should have taken this action just as soon as Colonel Ralston made his report on his return from overseas.

Almost everyone who has been in touch with the fighting men overseas has known that for some time that there has been a critical shortage of infantry. I have many close relatives, most of them in the Army, some in the Navy, and I have many friends

who are also in those services. I get letters from them from time to time, and in the early part of October I was just as well aware as was Colonel Ralston when he came home from the front that there was a real shortage of reinforcements for our fighting men. I certainly was greatly relieved to hear the announcement that the Government was going to send reinforcements at once. I believe it is the feeling of all of us here, irrespective of what side of the House we sit on, that there will be no delay in getting these reinforcements to the front, and I hope the honourable leader of this House will convey that sentiment to his colleagues.

Now may I make one or two personal references? I know young men, relatives of mine, who have been serving since the beginning of the war, and who have been through the whole Italian campaign from Sicily on. Two of them were wounded, but they are back at the front, and from what I am able to read between the lines of their letters it appears that the shortage of manpower made it necessary for them to go back before they were reasonably fit. They were willing to go back, as most young men of fighting spirit would be, but they should not have been asked to do so until they had fully recovered. In my opinion, if there had been sufficient reinforcements available these young men would have had two or three more weeks in hospital and rest camps before being returned to the front lines. I only mention this to show that we were really short of men to replace our army casualties. And there is a shortage at the present time. According to reports to-day and yesterday the fighting has been very heavy on the German front in France. Fortunately, for the last two or three days the Canadian army has not been engaged to any large extent on that front; but as soon as our troops go back into the lines we shall have heavy casualties again, and men must be made available to relieve those who are wounded, and take the place of those who are no longer able to fight.

I know General McNaughton—I knew him during the last war and before—and I have a high regard for him. I am very sorry that by an error of judgment he was misled into saying that a sufficient number of recruits could be obtained by voluntary enlistment to fill the ranks that are being depleted daily by wounds and deaths. He must have felt that he was in a very humiliating position when, the day after making that statement, he had to come back to Parliament and say: "I was wrong yesterday, and I have had to come to the conclusion that Colonel Ralston expressed to the Cabinet nearly four weeks ago."

Since the debate began there has been a good deal of talk about conscription. I listened with much interest to the addresses by the honourable leader of the House (Hon. Mr. King) and the honourable gentleman from Vancouver South (Hon. Mr. Farris). They were good addresses. Both honourable gentlemen were speaking, of course as special pleaders, and they extolled the Prime Minister. I do not blame them at all, for they are his loyal supporters. But they will grant me the privilege of disagreeing with a good deal of what they said. I do not know that it would not have been much better said before the performance of last Wednesday and Thursday, for I believe that since that time the Prime Minister has shrunk greatly in stature in the eyes of the people.

Hon. Mr. FOSTER: That is a matter of opinion.

Hon. Mr. BLACK: Yes, it is a matter of opinion. I am quite willing to wait until the people have an opportunity of expressing that opinion.

I want to pay a compliment to the honourable gentleman from Vancouver South. In 1942, when we were considering the amendment to the National Resources Mobilization Act, he was the only member on the other side of the House who made it abundantly plain that by bringing in the amendment the Government—the Liberal party—was definitely and finally pledged to conscription. He stated that there was no reason to camouflage the facts, and we on this side agreed with him. On that occasion the amendment was as strongly supported on this side of the House as on the Government side, for it was pretty generally felt that there was no alternative to conscription in a war of any magnitude and duration.

I want to call attention to another fact which I think should be emphasized, and on this point I am sorry that my voice does not reach beyond this Chamber. As an aside, let me say that many pertinent and valuable statements are made in the Senate, but they are not given much publicity in the press. We have among us men of wide experience both in public life and in business and professional affairs, and it seems to me that our country is the loser because the opinions they express here are not circulated far beyond these doors.

Now, in order to keep the record clear, I want to make one or two references to conscription. The Conservative party never imposed conscription on this country. That party was no more responsible than was the other major party, the Liberal party, for the conscription law that was put into force in 1917. Both parties joined in it. What happened was this. A union government was formed, and the Cabinet was composed of

equal numbers of Liberals and Conservatives. It included such prominent Liberals as Mr. Fielding, Mr. Sifton, and two honourable gentlemen here, who were not senators at that time—Mr. Ballantyne and Mr. Calder.

Hon. Mr. HORNER: Mr. Guthrie.

Hon. Mr. BLACK: Yes.

Hon. Mr. SINCLAIR: Mr. Fielding was not in the Government.

Hon. Mr. BLACK: In that Cabinet there were exactly as many Liberals as Conservatives, and the Liberals were among the strongest members of their party in the House of Commons. Why am I stressing this? I am not accusing anyone, for I think those men did just what they ought to have done. There was no other course they could take, since the Government had been advised that the voluntary enlistment system had failed to produce recruits in sufficient numbers to replace the casualties in France. So a committee of Parliament composed, as I have said, of an equal number of prominent Liberals and Conservatives, formed the Union Government, and conscription was put into force.

It is clear, therefore, that a Conservative government was not responsible for introducing conscription. It is just as clear that a Liberal government was not responsible for introducing it. I repeat that the two parties combined to enforce conscription in 1917. That was all right, but what happened afterwards? Throughout certain parts of Canada the Conservative party was held up as the one that alone had been responsible for conscription. Nothing could have been farther from the fact than the accusation which was so widely circulated.

I wanted to stress that fact, honourable senators, because once again it has been found necessary to enforce conscription. The Government of to-day finds itself in exactly the same position as that which the Government of 1917 occupied. But whereas in 1917 a coalition government was formed for putting conscription into effect, in 1944 it is being done by a government composed exclusively of members of the Liberal party. I do not blame that government—I do not think it could do anything else—but I want to have the fact placed clearly and distinctly on the record. The people of Canada, and especially the people of the province of Quebec, should be made aware of that fact.

May I be allowed to digress for a moment and refer to French-speaking soldiers of Canada as I know them?

Hon. Mr. CALDER: Would the honourable gentleman permit me to interrupt him, in order to have the record correct? The conscription law itself was not passed after the Union Government was formed. The law itself was passed in the latter part of the session immediately preceding the formation of that government, when the Conservative party was in power. The enforcement of the law was carried out by the Union Government, as the honourable gentleman said. The war-time election was held for the purpose of ascertaining whether the people of Canada felt conscription should be enforced by a national government instead of a party government.

Hon. Mr. BLACK: That is right.

Hon. Mr. CALDER: It is just as well to keep the record straight.

Hon. Mr. BALLANTYNE: Quite so, but we do not want to get confused. A Conservative government introduced the Military Service Act, but that Act became law only in January, 1918, under the Union Government, and it was put into effect by that government.

Hon. Mr. CALDER: That is right.

Hon. Mr. BALLANTYNE: The Act was not passed by the Conservative Government in 1917; it was passed by the Union Government, in January, 1918.

Hon. Mr. BLACK: I submit that everything I have said with regard to conscription in the last war is accurate.

Hon. Mr. CALDER: The honourable leader on this side (Hon. Mr. Ballantyne) is right.

Hon. Mrs. WILSON: Sir Robert Borden asked for a year's extension of the life of Parliament.

Hon. Mr. BALLANTYNE: Yes.

Hon. Mrs. WILSON: The honourable gentleman from Westmorland (Hon. Mr. Black) said there would be no precedent for such a request at this time.

Hon. Mr. BLACK: I apologize to the honourable senator. It slipped my memory that an extension had been granted for a year. Nevertheless, I am opposed to an extension at the present time.

I am sorry that there are not more honourable senators from Quebec in the House at the moment, for I wish to pay a compliment to our French-speaking fellow-citizens. In the last war I had serving under me a number of young Frenchmen—I should say, not Frenchmen, but French-speaking Canadians, for of course there are no real Frenchmen in Canada. Those to whom we sometimes refer in that way are descendants of people who have lived in this country for three hundred years, and

if that does not make them Canadians, I do not know what would. My people have been here for two hundred years, and while I am of Scotch descent I should not think of calling myself a Scotchman, except in a joking way. I am a Canadian, and so is every French-speaking citizen of Canada. I know the Acadian French very well, having lived with and among them all my life. I have visited at their homes, I have been present at the weddings of their daughters and their sons, as well as at the burial services of their old men and old women. In short, I am proud to say that I have just as many friends among the French-speaking people in Westmorland as any English-speaking man in the county. I also want to say that the French-speaking boys in Sackville and vicinity—I know each and every one of them there—enlisted just as freely and as promptly as did the English-speaking boys. Many of my French-speaking employees have enlisted, and those who are still living are fighting just as bravely and vigorously as any other men at the front.

I would add this, that if the people of the French tongue in the Maritime provinces had been left alone and not misled by propaganda, there would have been no division there between those Canadians who speak French and those who speak English. I am very strongly of the opinion that if there had been less propaganda in the province of Quebec, and more education to instil into the people a broad Canadianism in place of narrow parochialism, there would not be the acute condition that prevails to-day.

Let me say in all sincerity that, the two great parties having openly and freely come together on this question of conscription or selective service, or whatever one may term it—the calling up of men from all sections of the Dominion on an equality, and only on an equality—we should now try to get our French-speaking compatriots to regard themselves not only as citizens of Quebec but also as citizens of Canada. If Quebec continues to feel that it is a place apart from the other provinces, we shall not get together in a long long time, and while that sentiment prevails Canada will be a disunited nation.

Unfortunately there is between Quebec and Ontario a feeling of rivalry tinged with antagonism. There is no such feeling between the Martime Provinces and Quebec. In the Maritime Provinces we never hear of any differentiation between those who speak French and those who speak English. Why should there not be the same friendly feeling between Ontario and Quebec? As a matter of fact, each of these two provinces, if you personify them, is carrying a chip on its shoulder, and saying, "Now knock it off if you dare." That antagonistic spirit produces trouble. Let us get together and form a united Canada rather than continue a disgruntled and disunited nation on this half of the North American continent.

As I have said on two previous occasions in this House, I commend everything the Government has done in furtherance of our war effort. The last time I addressed honourable members I said my complaint was that the Government was slow in getting into action and that its tardiness had cost from six months to a year. But when the Government realized that the people were heart and soul in the war, it did what it could to maintain the impetus which the people had imparted to the war effort. This has resulted in a magnificent contribution not only by our fighting forces—the finest in the world—but by our mechanics, our lumbermen, our farmers, our business men and our financiers. They have all worked with a will.

In some quarters we are told that there should be conscription of wealth before conscription of manpower. I would say to this House and to the country, that we have conscription of manpower, and there is not much of a reserve left. And wealth is already conscripted.

An Hon. SENATOR: Hear, hear.

Hon. Mr. BLACK: I am stating a fact. I am not blaming the Government for war-time taxation, I am quite willing to contribute my share, but to-day the Government by way of taxation conscripts from 50 to 75 per cent of every man's income. But this is not the only levy. When a man dies the Government constitutes itself his heir, and after payment of federal and provincial succession duties very little of a man's estate remains for the benefit of his family. Notwithstanding what the C.C.F. party may say, wealth is now pretty completely conscripted in this country, and if we go any further along that line, there will be little encouragement either for business initiative or enterprise. That is something to be guarded against. We have to keep private business going. We have to encourage initiative in our citizens, because if the Government were to operate every industry, every farm, every mine, the people of Canada might sink to the level of what that opprobrious term "Zombie" calls to mind. We do not want to get into that undesirable condition. We must encourage industry and enterprise, for if we do not, when our young men come home there will be nothing for them to look forward to. I join with those members who have preceded me in the earnest hope that when the

noise of battle ceases and our young men and women return to civil life there will be available for each and all a good job and a good home.

Hon. Mr. BALLANTYNE: May I intervene before the debate is adjourned? Referring to what happened during the debate this afternoon, I am happy to say that all of us were right but for a little variation. The Borden government introduced the Military Service Act, and it was passed by Parliament, but it was not put into effect until the Union Government came into power in January, 1918.

Hon. Mr. KING: Yes. The legislation was introduced in May and was passed in August, 1917. It came into effect later.

Hon. Mr. BALLANTYNE: Quite correct.

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

The Senate adjourned until Monday, December 4 at 8 p.m.

THE SENATE

Monday, December 4, 1944.

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

Prayers and routine proceedings.

OVERSEAS REINFORCEMENTS

POLICY OF THE GOVERNMENT

The Senate resumed from Friday, December 1, the adjourned debate on the policy of the Government with respect to overseas reinforcements.

Hon. J. J. BENCH: Honourable senators, this debate has been described as a discussion of the Government's policy with regard to the reinforcement of our army overseas. Plainly it can be no more, since there is nothing of a formal character before the House. Nothing which we say here can be translated into present action by the Senate. Nevertheless, if it serves no other purpose than to clarify public thinking on the subject, the expression of our views will have been well worth while. The people of Canada are entitled to look to this branch of Parliament for some detached appraisal of this situation, the discussion of which in the press and on public platforms throughout the country has degenerated, I am sorry to say, into a tactical exercise between opposing political generals and by those who would like to be political generals.

When I came to Ottawa on the 22nd of November it was in the expectation that we would hear from the Government an explanation of the circumstances relating to the reinforcement of our overseas army, this to be followed by a declaration of the policy which had been adopted. I thought there would be an objective approach to the problem, involving the shortest possible discussion, that the policy would be either approved or rejected, with the sole purpose in view of meeting any emergency which might be shown to exist.

Notwithstanding my reluctance, along with that of many other honourable senators, to see a policy of compulsory service for overseas introduced at this late stage in the war, I do not hesitate to say that I came here with a certain preconception of the course of action which I would follow should the matter come before the Senate in any formal way. If it were demonstrated that our fighting forces overseas were lacking reinforcements, or there was indicated even the slightest doubt of the sufficiency of the voluntary system, I would have been bound in conscience to vote for the employment of N.R.M.A. personnel.

Now, what actually has transpired since we reconvened? First of all, the Government has stated its policy, as enunciated by Order in Council P.C. 8891; then, through the Prime Minister and the Minister of National Defence, it has made full disclosure to Parliament of the position regarding the reinforcement of our overseas army. But the matter has not been allowed to proceed only on the basis of a helpful critical analysis of that policy and the subsequent statement. True there has been debate along these lines, but the fundamental issue has been beclouded, even largely side-tracked, by attacks upon the Prime Minister, upon his Ministry and individual members of the Cabinet, and by long examinations of the past records of the Liberal and Conservative parties on the question of conscription.

I speak as a Liberal, but I venture to think that I shall have the agreement of all honourable senators when I say that a course designed to shake or destroy confidence in the present Government at a time when we have reached the decisive point in our war effort is not the best course to follow. Even in this Chamber—and I say this with every degree of respect—I have heard honourable gentlemen open their speeches by expressing a desire to avoid references to political matters; but in the course of those same speeches I have noticed references to the Prime Minister as "having been in bad humour" as long ago as 1940, as being "the master magician," as

"having turned a double somersault." Elsewhere he has been charged with being "weak and vacillating," and according to the news report read to us the other day by the honourable senator from Manitoba who sits to my right (Hon. A. L. Beaubien) the Prime Minister has been charged with having had "a capacity for evasion and a cowardly war policy."

These descriptions of a great statesman are in striking contrast to the opinion expressed by the Right Honourable Mr. Churchill, whom, if I may be pardoned for saying so, I should like to describe as the world's outstanding Conservative. Let me read, if I may, some of the expressions of regard for the Prime Minister of Canada which have been uttered by Mr. Churchill. In 1943, in speaking of the Prime Minister of Canada, he said of him—said to him, as a matter of fact:

> In the darkest days Canada under your leadership remained confident and true. Now the days are brighter, and when victory is won you will be able to look back with just pride upon a record surpassed by none.

This year Mr. Churchill referred to Mr. Mackenzie King as the one man who could have brought Canada through the war as a united nation. Addressing him again, he said:

> Never, perhaps, has the world held Canada in higher esteem than in these five years of bitter conflict, during which under your inspiring guidance as Prime Minister, she has played so splendid a part in the now imminent overthrow of the powers of evil.

I am not complaining of the political character of the speeches that have been made in this and other places. Indeed, as the issue has been developed in the country, it is difficult to see how the question could be discussed at all without reference to party policies and platforms. What I am concerned about is the inclination in some quarters to relate the criticism not to the policy itself but to a man, or perhaps I should say to men who are but two members of the Government which is responsible for the policy, and to the Liberal party to which they belong.

This Order in Council is not the brainchild of any one man nor of any two men. It is the product of the Governor of Canada in his Council, a policy representing the opinion of experienced men upon a question regarding which we know they held, at the outset at least, widely divergent views.

The other day in this Chamber the honourable and much respected leader opposite (Hon. Mr. Ballantyne) mentioned the bitterness that has developed over this question. In that regard I think no one will attempt to deny what he said. I recall in only a vague sort of way the comparable situation in the last war, but I do not doubt that recent public feeling has reached an all-time high. I am not exaggerating when I describe it as almost hysterical. One was obliged to hold very firmly to the anchor of reason to avoid being caught up and carried along in the torrent of passion which seemed to threaten our people. I think that I cannot better describe that situation than by quoting from an article which appeared only a few days ago, written by a gentleman, a veteran of the last war who received very serious wounds in that war, and who has only recently returned from a five months visit to our troops overseas. His name is Leslie Roberts. I do not know the gentleman, and as a matter of fact, so far as I recall, this is the first time I have seen any of his writing. What he says in a column written by him, or at least purporting to be written by him, in the December 1st issue of The Canadian Mining Reporter, published at the city of Toronto, is this:

> What first impresses the returning traveller, setting foot in the home country after five months' absence and stepping across a troopship gangway into the middle of the conscription crisis, is that Canada has suddenly gone stark, screaming mad. After a few days back in circulation, however, he realizes that what actually is happening is that the Canadian people are struggling against almost overwhelming odds to retain their sanity in a typhoon of confusion whipped up by a frenetic press and political cynics posing as patriots. A people whose war effort, second to none, has been achieved in the most difficult and hazardous to govern of all the democratic countries, have suddenly been pushed to the lunatic fringe of dementia praecox.

Now, that is strong language, honourable senators, but I must say that it expresses my appraisal of the situation better than I could hope to do. The dying embers of old racial and political jealousies were fanned into flame, and the situation generally certainly boded no good for the future of this country. Happily the point where there might have been a national conflagration seems to have been passed. Nevertheless, we shall carry for many long years the scars resulting from this wound to our national unity. For that particular situation I blame a certain section of the press of Canada, who by every device in the editorial repertoire, news columns, cartoons, front page feature articles, anonymous letters from our troops and printed opinions, have played upon the affections and anxieties of Canadians citizens until they reached almost the breaking point. This was no spontaneous outburst of public sentiment on an important national issue expressed through the medium of an independent press. Here was a studied propaganda carried on over a period of many months, dating back long before the now famous statement of Major Smythe, and even before our overseas forces were in action.

To test the sincerity of that campaign, one need only remark that the former Minister of National Defence, now hailed as a national hero by this group of journalists, was regarded by them only a few short months ago as wholly unfit to direct our army, while the present Minister, upon whom they now daily heap their contempt, was held out by them as one of the greatest Canadian soldiers and the most outstanding of our citizens. I feel confident that Colonel Ralston will not be taken in by this sudden demonstration of affection.

When we were last here the honourable gentleman from Saskatchewan North (Hon. Mr. Horner) made some mention of a national government. Perhaps he will recall with me the proposal which was put forward some time ago, that we should have such a Government and that none other than General McNaughton should be brought home to Canada to lead it.

Hon. Mr. HORNER: I am the senator from Saskatchewan North. Is the honourable gentleman referring to me?

Hon. Mr. BENCH: It was suggested that there should be a national government and that General McNaughton, the man who from one end of the country to the other is now being criticized—I was going to use a stronger term—should be brought home and put in the leadership of that government. I ask my honourable friend if he recalls that suggestion.

Hon. Mr. HORNER: Never from me.

Hon. Mr. BENCH: I am sorry.

Hon. Mr. HORNER: Not that General McNaughton should be brought home; but that a national government should be formed, yes.

Hon. Mr. BENCH: Perhaps my memory is a little longer than that of the honourable gentleman opposite, and quite as trustworthy.

I am drawing attention to these circumstances for the purpose of illustrating that these newspapers, carrying as they do a great public responsibility, have either proven their fickleness or a complete lack of sincerity. If the people of this country will take this lesson to heart, perhaps we may hope to avoid in the future a repetition of this kind of thing. I say that this campaign in the press has been disgraceful and that it has done Canada a great disservice.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Before my honourable friend proceeds further I should like to ask him a question. Has not the agitation in the press of this country brought about the support that our troops are to-day receiving, together with the action of Colonel Ralston?

Hon. Mr. BENCH: I know my honourable friend would like me to answer his question in the affirmative.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Certainly, you cannot do otherwise. The party to which the honourable gentleman belongs has answered for him.

Some Hon. SENATORS: Order.

Hon. Mr. BENCH: I am sorry I cannot accommodate my honourable friend in that respect.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): I know you cannot. You are too partisan for that.

Hon. Mr. BENCH: Honourable senators, I hope my honourable friend opposite is not misunderstanding anything I am saying, and that he will treat me in a more friendly spirit than to charge me with partisanship.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. BENCH: As I say, the Order in Council which enunciates the policy of the Government in this particular circumstance, was brought about by the statement that there was a shortage of reinforcements, which was checked by Colonel Ralston and found to be correct. That is what really brought about the situation. My honourable friend surely would not suggest to me that because a certain cabal of newspapers demanded this or that any Government would thereupon pass an Order in Council within the next few days. There surely must be some more effective support for an order in council.

Hon. Mr. ASELTINE: It all came about over night.

Hon. Mr. KING: 1942.

Hon. Mr. BENCH: I suppose that all depends on the point of view.

Hon. Mr. HORNER: It is a matter of history now, not a point of view.

Hon. Mr. BENCH: I was about to say, honourable senators, that certain people in this country, the efforts of which on all fronts have been second to none, are shouting to the world that there is a skeleton in the war closet, thereby discounting before the eyes of all mankind the great things that have been accomplished.

Hon. Mr. ASELTINE: Has the honourable senator read the American press, P.M. and other papers? When I read them I just hang my head in shame.

Hon. Mr. BENCH: My honourable friend opposite will have an opportunity to reply. I want to accommodate him all I can, but I

hardly see what bearing his interjection has on the point I am now making.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Before the honourable gentleman proceeds. I understood him to make the statement that there is a skeleton in the Cabinet war closet. I would like him to explain that. If there are any skeletons in there we should like to know more about them. We have already found out about some of them.

The Hon. the SPEAKER: Order, please. When an honourable senator has the floor a question can be put to him only by his leave.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Certainly.

The Hon. the SPEAKER: It is entirely out of order to interrupt and enter into an argument with the honourable senator who has the floor, and as he now desires to continue his remarks, he should be allowed to do so.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Yes, but, Mr. Speaker—

Hon. Mr. KING: Order.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): The honourable gentleman has gone quite far enough I think.

Hon. Mr. MURDOCK: Sit down and take your medicine.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): I am not taking any medicine from you.

The Hon. the SPEAKER: When the Speaker stands the honourable member must sit down.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): I sit down.

The Hon. the SPEAKER: A ruling of the Speaker cannot be the subject of discussion. It may be appealed from to the House.

My ruling is that when an honourable senator has the floor no other honourable senator may interrupt him except with leave, and in no circumstances may another honourable senator enter into an argument with him. Each honourable senator has the opportunity of speaking for himself and developing his own argument. Interruptions, therefore, must be limited to questions put with the leave of the member who has the floor.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Mr. Speaker, I should like to ask my honourable friend a question. Will he explain the statement he has made in reference to the skeleton in the war closet before he proceeds any further? I am very sorry that we have to take—

The Hon. the SPEAKER: The honourable gentleman who has the floor has not given his consent. He may proceed.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): I have asked him a question—

The Hon. the SPEAKER: Order! The honourable senator who has the floor has the right to develop his argument in any way he desires, and it is not in order for another honourable senator to tell him how he should proceed with it.

Hon. Mr. BENCH: I should be glad to answer the question put to me by the honourable senator from Richmond-West Cape Breton if it were based upon a sound foundation of fact. I did not say there was a skeleton in our war closet. I said that the attitude of the press and a certain section of the people of this country sought to give the impression that there was a skeleton in our closet. That is all I said. Perhaps I am in bad voice to-night, for I have a slight cold, and the honourable gentleman opposite may not have understood me. I think the situation is best described by the gentleman I have just quoted, Leslie Roberts, who says in another part of his article that we seem to be taking an insane pleasure in washing our dirty linen at the village pump, surrounded by photographers.

By way of comparison I should like to make some reference to the part this country played in the prosecution of the last war and of this. Canada's participation in the last war really cannot be fairly compared with what she has done since 1939. During the last five years we have been producing huge quantities of guns and ammunition, we have been building ships, we have been supplying motorized equipment, we have been building planes, and we have been furnishing untold quantities of other war goods. In the years 1914 to 1918 our industrial effort was—shall I say?—trifling. True, we then furnished large amounts of wheat, but in this war in addition to supplying wheat, we have produced and shipped to our allies tremendous quantities of bacon, eggs, cheese, milk and other dairy products, and of beef and other varieties of foodstuffs.

In 1918, after four years of war, our total enlistments of males were 632,006, or about 33 per cent of the country's male population in the 18 to 44 age group. In this war to the end of December, 1943, which is the best comparative term I could obtain, our total male enlistments were 908,169, or about 38 per cent of the country's male population in the age group of 18 to 44 years.

Hon. Mr. HORNER: Will the honourable gentleman give the figures for the discharges during that period?

Hon. Mr. BENCH: I should like to be able to accommodate the honourable gentleman from Saskatchewan North, but I am afraid I have not those figures. I said that at the end of December 1943—last December—our total enlistments were 908,169.

Hon. Mr. GRIESBACH: For the Army alone, or does that also include the Navy and the Air Force?

Hon. Mr. BENCH: All services. That is about 38 per cent of the male population of this country in the age group of 18 to 44 years of age, as compared with 33 per cent in the last war.

When I bring the figures up to the end of October of 1944, I find that our total enlistments are 972,330, which is almost 41 per cent of our male population in that same age bracket.

Now, it does seem to me that this is a record of which we need not be ashamed. The purpose of fighting wars is not, of course, to inflate our national pride; but all I am saying is that having done so much I think we might very well shut-off the pump, send the photographers away and take our soiled laundry quietly home.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Honourable senators, I should like to ask the honourable gentleman how many of the 972,000 troops were active, and how many were non-active or Canadian home defence troops?

Hon. Mr. BENCH: In so far as I know, these figures include enlistments both under the N.R.M.A. and in the active army.

While I am on the subject of comparisons, perhaps honourable senators will permit me to bolster this branch of my case by reference to an article which appeared in the Financial Post, under date of November 11. The article, which gives some interesting figures, reads in part as follows:

To help appraise what Canada is doing and trying to do in this war we have worked out the following comparisons. These figures are not set down as grounds for smug complacency or to suggest that we are doing too much, or even enough, in this war.

Between the last war and this, the Canadian population increased roughly 60 per cent. The first column below shows a few of the facts about our war effort last time. The second column increases those figures by 60 per cent.

That is to place them on a comparative basis with the increase in our population.

The third gives current figures for this war.

The first item shows that in the last war we had 6,823 men in the Navy. Adding sixty per cent to this figure to place it on a comparative basis with the increase in our population, would make it 10,916. Actually in this war we have 90,000 in the Navy.

Hon. Mr. BALLANTYNE: May I say to my honourable friend that in the last war we had virtually no navy at all.

Hon. Mr. BENCH: I understand that. The effect of these figures is best illustrated when one takes them as a whole. I could not very well give the figures that are here without making reference to the Navy.

In the Air Force in the last war we had 21,169. Adding 60 per cent to bring it up to the comparable basis, we should have 33,870. We actually have 204,000.

Hon. Mr. GRIESBACH: May I point out to the honourable gentleman that in the last war we did not have an Air Force. The figures he is giving must be of Canadians who served in the Royal Air Force. Is that a fact?

Hon. Mr. BENCH: I have no doubt that is a fact.

Hon. Mr. GRIESBACH: Where do these figures come from?

Hon. Mr. BENCH: I am quoting them from the Financial Post. That is not a publication that is known as being friendly to the Government.

Hon. Mr. GRIESBACH: I remember that a good many years ago it was said in another place on behalf of the Government of the day that the figures of Canadians serving in the Royal Air Force could not be given. I wonder where the Financial Post got its figures.

Hon. Mr. BENCH: I am sorry I am unable to give my honourable friend from Edmonton that information. I am assuming that these figures must have been secured from some authoritative source.

In the Army in the last war we had 454,585 men. Adding sixty per cent to make this figure comparable with our increase in population, we should have 727,336. Actually we have 764,000.

On the item of war supply, in the last war there was spent by Canada one billion and 69 million dollars. The addition of 60 per cent would give us a figure of one billion 710 million dollars. Actually we have spent in this

war, exclusive of aid to Britain, 10 billion, 743 million dollars.

When I read that tribute to our people and their war-time government, when I think of the vigorous leadership which has been given to Canada in fiscal policy, price control and other fields for the better prosecution of our effort, I have grave difficulty in accepting the proposition that Mr. King's war policy has been evasive or cowardly. On the contrary, I only wonder if we have not attempted too much.

Now let me turn to the charges which have been made that Mr. King and his government have turned "a double somersault" on this issue, that the Order in Council is only a partial measure and an evasion of our full responsibility. To meet these allegations, it is necessary for me to go back to the passing of the National Resources Mobilization Act, which is chapter 13 of the Statutes of 1940. By that measure the Government was given power to mobilize all the effective resources of the nation, both human and material, for the defence and security of Canada. This power was made subject to the express restriction that persons could not be required to serve outside of Canada and the territorial waters thereof. However, as honourable senators know better than I, in 1942 by an amendment to the Act that restriction was removed.

I was not in Parliament when the National Resources Mobilization Act was passed, but I understand that it passed through both Houses almost unanimously. In the light of present criticism it perhaps is important to remember that the powers contained in this legislation were designed and approved by Parliament. Without them, the Governor in Council could not act; nor, having been granted them, could he thereafter act except in compliance with the provisions of the legislation, which must be strictly construed.

There seems to be some opinion abroad that the Government has a free hand to call up for service and send out of this country any number of persons at any time, regardless of the need. I contend that such a view is not correct. The National Resources Mobilization Act gives to the Governor in Council the power "from time to time"—these are the words of the Act—to require persons "to place themselves, their services and their property at the disposal of the 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," and so on. I submit to honourable senators that the language I have just quoted does not grant an unlimited discretion to the Government. There must be shown a necessity, or at least a measure of expediency for requiring persons to place their services at the disposal of His Majesty. Then, a necessity having been demonstrated for a particular purpose—such as, for example, the immediate defence of Canada itself—I do not think anyone will contend that personnel requisitioned for such purpose could, under the Act, be used by the Governor in Council for some other end, regardless of whether need was shown or not. In effect, what Parliament said in the National Resources Mobilization Act was this: "We give you the power to require persons to serve in our armed forces if, as and when, and only to the extent which from time to time is shown to be necessary or expedient for the efficient prosecution of the war."

Having regard to that, the first point that I want to make is that there was no need shown for the employment of N.R.M.A. recruits in any European theatre until there arose the situation which brought us here. Up until then the voluntary system of enlistment had proved adequate to meet our needs. When it was shown that reinforcements were required in connection with our present operations, and that these reinforcements could not be obtained in any other way, the Government took advantage of the power which had been vested in it by Parliament. The current need, projected some three or four months ahead, is for 16,000 men for the Mediterranean and Northwestern-European operations. The Order in Council meets this demand. No necessity has been shown, and I submit none could be shown, for the present employment of troops in the Far East. We are not fighting in the war against Japan as yet. When our commitments in the Pacific are announced, that will be the time to make an appraisal of the need there.

What I am saying is that under the restricted authority granted to the Government by this Parliament in the National Resources Mobilization Act, the Government has exercised its powers to the limit, and at the earliest possible time, to send N.R.M.A. troops to European fighting fronts. Other and later necessities as to time and place may arise. If they do, the Government will be free to resort again to the N.R.M.A. personnel; but, in the view which I take of the legislation, cannot do so until that time comes and the extent and nature of the needs of that time are determined.

The other day the honourable senator from Westmorland (Hon. Mr. Black) stressed the necessity of keeping the record straight on certain historical phases of the development and treatment of the conscription issue in Canada. I thought, and I still think, that this is a good thing to do. Desiring, as I do, to support the opinion which I hold regarding the proper interpretation of the powers of the Government under the National Resources Mobilization Act, and also to show that the Prime Minister has not been indulging in acrobatic exercises on this problem, perhaps honourable senators will permit me to draw to their attention certain statements made by Mr. King. These statements will, I think, indicate that he has always regarded the powers under the National Resources Mobilization Act as being subject to the restriction which I have mentioned. They will also show, I think, that throughout he has maintained a constant course.

On June 10, 1942, when Bill 80 to amend the National Resources Mobilization Act was before the House of Commons, the Prime Minister spoke in support of it, and I desire to present to honourable members some quotations from that speech as it appears in the House of Commons Hansard. At page 3228 he said:

> The result of the plebiscite leaves no doubt as to the freedom of the Government and of Parliament to discuss the question of conscription for service overseas upon its merits. It equally leaves no doubt as to the freedom of the Government and of Parliament to decide, for or against conscription for service overseas, either conditionally or unconditionally.

At page 3234 he is reported as follows:

> If the Bill is amended as proposed, it is not the intention of the Government to resort to conscription for service overseas unless circumstances should arise which would render the use of compulsion imperative, such, for example, as the maintenance of the necessary reinforcements for Canada's army overseas.

The Prime Minister proceeded to discuss the divergent views of our people upon the question of compulsory service for overseas, and at page 3236 will be found this passage:

> There is unfortunately, a third view—a view which I believe, accords with the opinion most generally held throughout the Dominion. It is that conscription for service overseas should be inaugurated only if and when, in the opinion of the Government, it becomes necessary to the security of our country, and to the maintenance of its war effort. That view is the one which is held by the Government. It represents the Government's policy with respect to conscription for service overseas. In a word, that policy may be described as not necessarily conscription but conscription if necessary.

On the 7th of July following, in connection with the same Bill, the Prime Minister made one or two other statements which I should like to quote. They will be found at page 4013:

> It has, I think, been made abundantly clear that, so far, at least, as the present administration is concerned, any decision respecting conscription for overseas service will not rest solely with the military authorities, but that any action taken under the present Bill must and will be authorized by the Governor in Council. In other words, the decision will be the decision of the Cabinet, subject always to its responsibility to Parliament. I have already also given to honourable members an assurance that all relevant factors would be taken into account by the Cabinet in reaching a decision.

"All relevant factors." I quote further from the same page:

> This debate, necessarily comes to be a matter of the degree of confidence which Parliament and the people have in the administration charged with the responsibilities of carrying on the war. This does not constitute a reason for a second debate on the conscription issue. It is, however, the strongest of reasons why a Government, once it has reached a decision that the needs of a situation demand a certain course of action on which opinion may be divided, should take the earliest possible opportunity of making perfectly sure that it enjoys the confidence of Parliament and that it may rely with certainty upon the support of Parliament in giving effect to the decision reached.

There, honourable senators, for all the world to see, is the course outlined in 1942 by Mr. King. That, I submit, is the course which has been followed to the letter by him and by his Government. That record, I submit further, does not support the charge of evasion any more than it supports the charge of double somersaulting. Reviewing the circumstances dispassionately, I think honourable members will agree with me that this is about what has taken place:

(1) Parliament gave to the Government the right to conscript our manpower for military purposes, and so to employ it only if and to the extent needed from time to time.

(2) The Government through the Prime Minister, gave an undertaking to the country that the power to compel military personnel to serve outside of Canada would be used only when, and not before, the necessity arose. On that understanding Parliament passed the legislation.

(3) The Government, in keeping with its pledge, exhausted every other means of maintaining and reinforcing our overseas army.

(4) The need for employment of N.R.M.A. personnel in the limited present number arose, and then the Government exercised its power to the full extent prescribed.

(5) Having done so, in compliance with its further promise, it now reports to Parliament and seeks an expression of confidence from the House of Commons.

Parliament, I say, made the rules, and the Government has strictly observed them. If the step which has been taken by the passing of this Order in Council is sufficient to meet the need that has been shown—and I suggest that both Colonel Ralston and General McNaughton are agreed on that fact—then, I submit, that should be an end of the matter. This is especially so when we have the assurance of the Government that as further need arises additional reinforcements will be drawn from the available N.R.M.A. pool.

Now let me say a word as to the circumstances which led up to this crisis. There are two or three features which I acknowledge have left me with a feeling of some uneasiness, which I know is shared by many other people. I do not agree with the proposition that we should not be concerned with the developments which brought this situation about. We must pay some attention to them if for no other reason than to avoid a possible repetition. A few minutes ago I gave the House some figures showing that we have enlisted in our Services very close to 1,000,000 men. Out of a total population of 12,000,000 that is a very large percentage, particularly when we consider the very heavy demands upon our human resources resulting from our agricultural and industrial commitments at home. The press reported last Friday that our Army casualties for October were 7,921, and that they have been 9,338 in August and 8,445 in September. It is clear from all this—at least it is to me—and from all we have heard, that Canada has reached almost the bottom of her fighting-manpower pitcher, and that now she is required to drop in pebbles to bring up the level of the reinforcements.

During the session of 1942 the establishment of our Canadian Army overseas was decided upon and approved by Parliament when the war estimates of the Department of National Defence were passed. We were to have five divisions and, in addition—I am not sure about this, but I think I am correct —two armoured brigades. In some quarters I know there is opposition to Canada reducing her commitments. There is a feeling that if this were done our national honour would be impaired. I express no opinion on that beyond pointing out that in the last war we were finally obliged, as I understand, to reduce our army in the field from five divisions to four—

Hon. Mr. BALLANTYNE: May I interrupt my honourable friend there? The Fifth Division never left England, but its organization was started. We had four divisions actually in the field.

Hon. Mr. BENCH: I am grateful to the honourable leader opposite. I was regarding the United Kingdom as being in the field of operations. Nevertheless, the fact that we were obliged—as I understand the honourable leader opposite now to confirm—to reduce our military establishment overseas from five divisions to four—

Hon. Mr. CALDER: They never were reduced, the Fifth Division was still in England.

Hon. Mr. BALLANTYNE: They were broken up.

Hon. Mr. BENCH: I am obliged to the honourable gentlemen opposite, who were directly engaged with the problem at that time. I am only saying we had an establishment of five divisions overseas, and that we did reduce them; and I was going on to say that I think that was done without bringing any discredit on us.

Hon. Mr. CALDER: The honourable gentleman should realize that those men were not retired from the army, they were not put into the reserve, they were still available if required.

Hon. Mr. BENCH: I understand that. I am very sorry if I have given a wrong impression.

Hon. Mr. CALDER: You are talking as if they had disappeared altogether.

Hon. Mr. BENCH: I did not mean to say that. My understanding is that we had in the last war an establishment of five divisions. My point is that as the five divisions could not be properly reinforced we had to reduce our establishment to four divisions, so that the fifth was made available to the other four divisions as reinforcements.

Hon. Mr. CALDER: Quite correct.

Hon. Mr. BENCH: I am grateful to the honourable senator from Saltcoats for helping me to make that clear. As I say, so far as I am aware, that reduction in our military establishment was effected without reflecting any discredit on us. Perhaps in this connection it is useful also to point out that on the basis of manpower employed in this war in all the services, army, navy and air force, we have enlisted something in excess of the equivalent of ten army divisions. I am expressing no opinion whatever as to the

effect that a reduction of our commitments would have on our national honour, but I would point out that already during this war one of our sister nations in the British Commonwealth has twice reduced the number of men in her military establishment. I speak of Australia.

Hon. Mr. GRIESBACH: There is another fact I should like to point out to the honourable gentleman. In the last war the strength of a Canadian division was close to 25,000 men, whereas in this war it is about 15,000. It is important to remember that, as bearing on what the honourable gentleman is discussing now.

Hon. Mr. BENCH: I assume there would have to be included the ancillary troops, if that is what they are called, the headquarters establishments and so on. If you divide 25,000 into a million, you get far more than ten. I think I was being rather conservative in my estimate.

I was saying that on two occasions during this war Australia has reduced her military establishment. The first time was in October, 1943, when she took 20,000 men out of the army. These were in addition to men who had been discharged for medical reasons and so on. Last month she withdrew another 56,000. I repeat that I express no opinion as to whether a reduction of our commitments might reflect on our national honour; but, as I see it, even if we do not reduce the size of our establishment, we might very well consider a rearrangement. To fight an army, and a small one at that, on two fronts must involve a higher casualty risk than to fight it in only one theatre. In addition, the supplying of two army corps in widely separated areas, with the maintenance of lines of communication, the manning of headquarters establishments and the carrying on of other services, must constitute a considerable drain on our numerical strength. The honourable gentleman from Edmonton (Hon. Mr. Griesbach), who has had a much greater military training and experience than I have had, will know whether my appraisal of this situation is correct; but this is certainly the impression I have.

I am not blaming or criticizing anyone for the circumstance that our army is divided in this way. The dispositions were undoubtedly made on the best military advice obtainable and as the developing conditions of war demanded. However, now that the offensive programme has reached an advanced stage, now that we recognize our limitations, it seems to me that the Government might very well consider consolidating our forces on one front without Canada in any way losing national prestige.

Something else about this situation that troubles me is the great suddenness with which it developed. We have been told that the Government was not informed of the critical shortage of reinforcements until some time in October, and learned of it only after Colonel Ralston had himself visited the fighting theatres. As I have said, my military experience has been very limited, but, speaking as a layman, I find great difficulty in understanding why the minister did not have more notice of the progressive increase in the rate of casualties and the depletion of the reinforcement pools. There may have been good reason for it. I am only saying I do not understand it. We do know that the problem was developing overseas as early as the beginning of August. We also know it was necessary for the then Minister of National Defence himself to go to Europe to get all the facts, and that the true state of affairs did not come to light until mid-October. I repeat, I have difficulty in understanding how this situation could arise with such complete surprise to our military staffs.

When Major Smythe published his now famous statement, my immediate impression was that it was very strange that we should be getting this information first from a battery commander. If the facts were as he stated them, why should they not have been known to our chiefs of staff?

And when I am speaking of Major Smythe, let me draw attention to another situation that concerns me deeply. Since he rushed into print there has been a regular parade of statements from army officers. I do not need to recite them all. There was the press interview given by a group of high-ranking officers on the Pacific coast, another by the District Officer Commanding at Winnipeg. Honourable senators know that that does not exhaust the list. I think, and the honourable gentleman from Edmonton (Hon. Mr. Griesbach) will correct me if I am wrong, that all of these statements were clearly contrary to the King's Regulations and Orders. I say that this exhibition of disregard for constituted authority and of army regulations worries me.

Hon. Mr. GRIESBACH: Excuse me, but what is the present situation as regards that discussion? First of all, a number of officers made the statement which you say was contrary to the regulations, as it probably was; then an officer was dispatched to investigate that statement, but before he could start an investigation the Government had changed its policy and admitted that it was no longer able to get men through the voluntary system and that conscription had to be put into

force. Is the Government still going to prosecute these officers for having said that the men could not be raised under the voluntary system, or is the officer who was sent out to investigate now being called home?

Hon. Mr. BENCH: I think the change of policy referred to by my honourable friend is irrelevant. I know of no change in the King's Regulations and Orders which permits officers in uniform to rush into print. What has happened since the present Minister of National Defence undertook to investigate this matter, as my honourable friend has reminded us, I do not know; but I expect we shall hear more of it.

I was saying that this parade of, shall I say, insurrection among officers of the Department of National Defence worries me. To make an adaptation of the declaration of one of Shakespeare's famous characters, it leads me to believe "there is something rotten" in the Department of National Defence. Moreover, I know that there are lots of people who share that view.

Recently I have been making some addresses designed to better acquaint the public with the purpose and function of the Senate of Canada, and to meet some of the criticisms that have been levelled at this branch of Parliament. In the course of those speeches I have ventured to suggest that with the increasing emphasis that is being placed on the administrative side of government, the Senate more and more could act as the eyes and ears of Parliament, and that many inquiries now delegated to Royal Commissions might be conducted by committees of this House. I have proposed that our committee work might follow more closely along the lines upon which the Senate of the United States functions. I have felt that in this way we could make a very real contribution to the machinery of government, and at the same time provide a parliamentary forum for the expression of public opinion on matters of national importance.

One specific proposal which I put forward is that a standing committee of this House be constituted to inquire into charges of impropriety and inefficiency in the administration of public affairs. An example of the type of thing I have in mind when I offer this suggestion is the charge made last spring that the Douglas D.C. 4 aircraft production was transferred from a Malton plant to a Montreal factory so that some financial benefit might accrue to a man friendly to the Government. Another instance is the recent charge by the Joy Oil Company of misconduct and inefficiency in the office of the Oil Controller. To those two examples, I would now add the Major Smythe charges.

If some public body, detached from the partisan interests of Government and Opposition parties—as the Senate is—would undertake investigation of matters of this kind, there would be fewer irresponsible charges; and such as are well-founded would be more quickly brought to light and the improper conditions more speedily corrected. In the case of the Smythe charges a great deal of anguish-causing controversy in the press might have been avoided. The public would have had facts instead of editorial opinion as a basis for its judgment, and much of the confusion and misunderstanding that have been created might have been prevented.

Along the same lines, I think there is a duty on Parliament to see to it that our Department of National Defence is so organized that we may avoid a recurrence of a crisis such as the one we are now passing through. The country is entitled to the satisfaction of knowing there are no missing links in the chain of responsibility from the Minister down to the last battalion commander. God forbid that we shall ever again be called upon to engage in war. Nevertheless, that is a possibility which we must ever keep before us in the future. I am not witch-hunting. I am merely saying that if mistakes have been made that could have been avoided, we should profit by our experience.

While we are still at war, and especially when we are so nearly approaching an end of the struggle, probably no good could result from further muddying of the waters. Let us now rather keep our energies centred on our main objective—the defeat of our enemies. When that has been accomplished, there will be time and opportunity for a general stock-taking. At that time I should like to see this branch of Parliament, through the agency of a committee established by it, examine into the entire structure of the Department of National Defence, at least in so far as it has to do with the army. There are in this House honourable gentlemen who, by training and experience, would be well qualified to carry out such an inquiry and to formulate recommendations designed to obviate a repetition of the present crisis. If there is need for a Military Affairs Committee of the United States Senate, there is also need for one here. As far as I am concerned, if there had been any doubt on that score, recent events have been sufficient to remove it.

I cannot leave this subject without giving some expression to the regret which I feel that this country's magnificent contribution could not have been carried through to a finish as a purely voluntary effort. That achievement may still be possible if our young men now

enrolled as N.R.M.A. recruits find it possible to come forward and put their services without restriction at the disposal of their country. To them I should like to say that when they leave Canada for our fighting theatres they will go, not as "zombies"—a term which I abhor—but as Canadian soldiers carrying in their charge the honour and glory of this great country. They will go to join their comrades-in-arms in continued assault on the citadels of evil. They will go to stand in the places of those whose will to resist aggression knew no limits of sacrifice, and to whom I would humbly address the words of Pericles uttered 400 years before Christ:

> But each one, man by man, has won imperishable praise, each has gained a glorious grave—not that sepulchre of earth wherein they lie, but the living tomb of everlasting remembrance wherein their glory is enshrined; remembrance that will live on the lips, that will blossom in the deeds of their countrymen the world over.
>
> For the whole earth is the sepulchre of heroes; monuments may rise and tablets be set up to them in their own land, but on far-off shores there is an abiding memorial that no pen or chisel has traced; it is graven, not on stone or brass, but on the living heart of humanity.
>
> Take these men for your example. Like them, remember that prosperity can be only for the free, that freedom is the sure possession of those alone who have courage to defend it.

Hon. J. A. CALDER: Honourable members, I am sure you will agree with me that we have had an exceedingly interesting debate, a debate that for the most part has been carried on with moderation. For a minute or two this evening it looked as if we might have a little strife, but the threat soon disappeared. I trust that what I have to say during the course of this debate will be along the line that has been well marked up.

The honourable gentleman who has just spoken (Hon. Mr. Bench) is a new member; I think he came to us last year, and probably this is his second or third speech. He will be heard from again. He will in all probability be here much longer than I shall, he will learn much, and some years from now will likely deliver speeches based on material a little more definite and, in some cases probably, a little more realistic than that which at times he used to-night. It seems to me we must in debates of this character always endeavour to be sure of our facts. It is impossible to present convincing arguments unless your facts are correct.

I was glad to hear the Speaker's ruling to the effect that members must not interrupt the member who has the floor. I have been in public life for a fairly long time and have taken part in many debates, but I never took part in an important debate without making notes and using them. I am unable to do so to-night, for reasons that you know, and consequently what I say may be of a more or less rambling nature. I do not therefore want to get into a trap, for I shall not have before me a few sheets of paper to check up and find out exactly where I was before the interruption. I do not object in the slightest to interruptions if they are material to the question at issue, and I shall be glad to answer any questions that honourable members may ask. If I make an inaccurate statement I should like to be corrected at once, because it is very important to get the facts.

As I say, we have had an intensely interesting debate. We have had our differences of opinion, properly, rightly, naturally so, but I am inclined to think you will all agree on one fact—we have witnessed elsewhere a crisis that is unique. Nothing like it has ever occurred before in this country so far as my knowledge of Canadian history goes, and I doubt very much if anything like it has ever occurred in any other democratic country in the world. I am not objecting to that crisis. I am not thinking at all of the personalities concerned in it. Let us forget all about those who took part. The fact is that the crisis is unique.

Just let me illustrate. One day the Government take a certain stand on a question of policy, and because they take that stand a minister retires. On the following day the Government change their policy. Then another minister resigns because the Government decide to do what the first minister asked for. I say such a situation is unique, and probably is one of the considerations that led to the crisis.

My honourable friend who has just spoken has again tried to indicate to us that that crisis was more or less organized. He attributed it to at least a certain section of the press, and intimated that to some extent, probably, there were other influences at work as well. At any rate, that has been intimated elsewhere. Does the honourable gentleman really believe that the crisis was so organized? We witnessed the other day the honourable senator from Vancouver (Hon. Mr. Farris) take exactly the opposite view. Every member in this House knows exactly what happened and what caused that crisis. It was not because this paper and that paper and the next paper used cartoons and wrote editorials. This is still a free country, and if any papers wish to print cartoons and editorials—and they do it all the time—they have a perfect right to do so.

Let us for a few moments look at what happened. I did not intend to touch on it at all, and I will refer only to the high spots.

Colonel Ralston went to Europe. We all know the purpose for which he went. What happened immediately he did so? People began to wonder why he was there, and the newspaper men—as they always do and have the right to do—began to guess; rumours began to float about. That is customary, there is nothing novel about it. But in this case it happened to be Colonel Ralston who went overseas. The newspaper men were gathering news, and the story of his visit to Europe was told in all the papers throughout Canada. All right. Colonel Ralston arrived back in Ottawa and met the Cabinet, and people wondered what was happening. What did happen? There was Council meeting after Council meeting; these meetings carried on for days, and every reporter here, whether he represented a newspaper of Canada, the United States, Great Britain or any other country, was busy gathering news. For days and days the news consisted of gossip and guesses and all that sort of thing. This is not at all unusual, it occurs every day in connection with any event of importance. Did any political party or any person organize it? That news appeared not only in Liberal papers and Tory papers, it appeared in all the press of Canada.

Very well. Those Council meetings were held, and not until a certain day did Colonel Ralston resign. Then there was a blast across the country. From whom? From the public of Canada. The people asked: Why in the world did this man who has been in office for four or five years resign? They were told the story by all the press of Canada. Then followed the appointment of General McNaughton. After this the Prime Minister took to the radio to tell what had happened. He was followed by Colonel Ralston, who told his story. General McNaughton addressed meetings here and in Arnprior, and the newspapers of the country from ocean to ocean simply reeked with the information—not merely one or two or three or four or five, but all the newspapers of Canada. Then Parliament was summoned and the members of both Houses assembled here. Everybody in Canada knew what we were called together for. There was a question at issue; and any attempt to indicate that this was the result of an organized effort, made either by a political party or by some group, is simply nonsense, that is all. In fact, we know what happened. As a result of that very wide distribution of news certain facts stared everybody in the face. The public became deeply interested, and from the right motive.

Now, honourable senators, let me ask, did not every one of you wander around while you were at home and meet the public? I myself saw many people. I met some on the street, some called on me. During that period of crisis there was nothing talked of anywhere except this issue. In the home, on the street, in hotels, in buses, in stores, everywhere. Am I not right? Is that not a fact? All honourable senators know it is. Never since I have been in public life have I seen the people of my province and of Canada so aroused by and interested in a question of public policy—for that is what this was. I say they were aroused and interested. They were inquiring in every direction, and discussing everywhere and at all times, day after day, in an endeavour to reach a conclusion as to what should be done. And eventually they made known their opinion, by literally thousands of letters to the press. I am talking of the whole press of Canada. By means of thousands of letters in the press of Canada they gave expression to their views. Some of these letters may have been anonymous, but a very large number of them were signed by the writers. In addition to that, as we know, thousands of letters and scores of telegrams reached members of Parliament, telling them where the voters stood on this issue. It was that accumulation of public opinion, expressed as I never saw it expressed in this country before, that finally forced the Government to change its policy within twenty-four hours.

Hon. Mr. KING: Oh, no, no.

Hon. Mr. CALDER: No what?

Hon. Mr. KING: The Government policy was declared in 1942. That policy was to go into effect if certain things happened, and those things did happen.

Hon. Mr. CALDER: On the 22nd day of November the Prime Minister stood in his place elsewhere and declared that he was in favour of the voluntary system.

Hon. Mr. KING: Yes.

Hon. Mr. CALDER: He declared that he believed the voluntary system would succeed, that he was not in favour of conscription, that he never was in favour of conscription and would not enforce it.

Hon. Mr. KING: Unless it was necessary.

Hon. Mr. CALDER: Until it was necessary.

Hon. Mr. KING: That was declared in 1942.

Hon. Mr. MURDOCK: Wise men change their minds, and fools never.

Hon. Mr. CALDER: I quite agree that wise men change their minds.

I say we had in effect a policy whereby a Canadian defence force was conscripted. That was extended by Order in Council so that members of this force could be used in certain limited areas outside of Canada. On November 22 that—no more and no less—was the Government's policy. Now, what did Colonel Ralston stand for on that day? He stood for the extension of the application of the National Resources Mobilization Act to service in Europe. Why did he resign? It was because the Government refused to accept his—

Hon. Mr. HORNER: Recommendation.

Hon. Mr. CALDER: His recommendation. That is why Colonel Ralston resigned, because the Government would not budge from the policy it had in force.

Hon. Mr. KING: Until—

Hon. Mr. CALDER: Well, now, pardon me.

Hon. Mr. KING: Continue: —until the Government ascertained that these men would not go voluntarily.

Hon. Mr. CALDER: Until the necessary pressure was brought on the Government that forced it to do what it did not want to do.

Hon. Mr. KING: Have it your way, if you wish, but that is not the fact. The fact speaks for itself.

Hon. Mr. CALDER: What is not the fact?

Hon. Mr. KING: The Government would not use compulsion until satisfied that these men declined to go into service voluntarily. That was quite evident. And that was stated as the policy in 1942.

Hon. Mr. CALDER: I do not understand.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Order!

Hon. Mr. CALDER: I should like very much to have a clear statement from the honourable gentleman.

The Hon. the SPEAKER: I would say to the honourable gentleman from Richmond-West Cape Breton (Hon. Mr. Macdonald) that the present situation is the reverse of one that arose some time ago. The honourable gentleman who has the floor (Hon. Mr. Calder) has asked the honourable leader of the Government (Hon. Mr. King) a question, so a point of order does not arise.

Hon. Mr. CALDER: His Honor is quite correct.

I have no desire to state anything that is not accurate, and shall be only too pleased if the honourable leader will point out wherein I am wrong.

Hon. Mr. KING: I do not wish to delay at all.

Hon. Mr. CALDER: It is not a question of delay.

Hon. Mr. KING: I think that what happened is quite evident. In 1942 the Prime Minister made a clear and concise statement with regard to conscription of men drafted under the National Resources Mobilization Act. He said if the time came when it was necessary and desirable to conscript these men, they would be conscripted. There is no need to go over what has happened within the last few weeks. We are all conversant with that. We know that Colonel Ralston resigned, and that the Prime Minister brought into the Cabinet General McNaughton, who had believed that he could induce the N.R.M.A. men to volunteer. When they failed to do that, the Prime Minister carried out the undertaking he made in 1942.

Hon. Mr. CALDER: That does not alter in the slightest degree the statement I made. I have not disputed that the law which was passed gave the Government full powers to send these men wherever it chose. That is not the issue at all; that is not what created the crisis. Now, understand me. A Government may put a principle in the law, but in doing so it takes power to exercise a certain policy.

Hon. Mr. KING: Or an alternative.

Hon. Mr. CALDER: Will the honourable gentleman just permit me to follow out my argument? The Government took power to apply this law in part only, for the time being. In the year 1942 the Government, as a matter of policy—I emphasize that—confined the application of that law to our home defence forces. Is that true?

Hon. Mr. KING: Yes.

Hon. Mr. CALDER: All right. A little later on, by reason of conditions then existing, the Government issued under that law an Order in Council authorizing the sending of troops to Jamaica, Bermuda, Newfoundland, the Aleutians and I think somewhere in the Arctic ocean. Is that right?

Hon. Mr. KING: Yes.

Hon. Mr. CALDER: That was done as a matter of policy. There still remained in the law the power to do something else, but the Government never exercised that power. Now, what Colonel Ralston asked was that the Government, as a matter of policy, should exercise that power under the law; but the Government would not do that.

Hon. Mr. KING: Not at that time.

Hon. Mr. CALDER: It simply would not do that. The honourable gentleman need not say, "Not at that time." That does not make the slightest difference. On the 22nd of November the Government would not adopt that policy. And what was the consequence? Colonel Ralston resigned.

Hon. Mr. KING: Previous to that.

Hon. Mr. CALDER: Previous to that. He was present in another place on that day, but he had previously resigned his office. On the following day the Government decided to adopt another feature of that same policy, and on the next day the Government said: "All right; you people want it, so now we will adopt a further policy, which will require these men to go to Europe." It was that change of policy which resulted in the resignation of my good, dear friend "Chubby" Power. As we sat in the gallery of the Commons, we saw the two men—one who had resigned because the Government would not have overseas conscription, and the other who on the following day resigned because the Government was prepared to have it. That is why the change was called by my honourable friend here (Hon. Mr. Ballantyne) "a double somersault."

Hon. Mr. MURDOCK: Not the following day, surely. It was two or three weeks later.

Hon. Mr. CALDER: What is the difference? Colonel Ralston had retired prior to the 22nd of November, but he was present when the Prime Minister spoke on that day. "Chubby" Power was to the left of the Prime Minister. They were both there, and my honourable friend knows the conditions under which they resigned. So much for that. It has taken a long time to try to clear up that issue, but I hope I have succeeded.

In all the proceedings that we witnessed elsewhere, my most vivid impression was of seeing democracy actually in action. Regardless of personalities—for I do not wish to be critical in that respect at all—what impressed me was the extraordinary change of events within a very short period of time. It was that which made the situation unique in our political history. I agree with my honourable friend from Vancouver South (Hon. Mr. Farris) that it was the very clearest sign that in this country democracy still lives, and that it can and will act whenever it is necessary to do so. Democracy certainly has acted during these past few days.

References have been made to what has been done in the air force, in the navy, in industrial production, in the supply of foodstuffs, and so on. None of those things are called into question at all. Everybody knows that an excellent job has been done in production. And in saying that, we must not forget that the major share of the praise should go to those who did the job, not to those who organized it. It should go to the men and women in our factories, on our farms, in our forests and mines and so on. They put their backs into the job and produced whatever was necessary, regardless of party considerations or anything of that kind. Is that not true? If a nation ever had its back in a job of this kind, Canada had during the past five years; and while we are quite ready to give credit to others, to governments or organizers, the people who did the actual work must be principally remembered.

I am not going to deal with the mass of figures that we have been given by the honourable member who spoke before me (Hon. Mr. Bench). He presented many figures in an endeavour to make a comparison between this war and the last one. If honourable members will only think for a moment, I am sure they will agree with me that there is no ground for comparison, for the last war was entirely different from this one. We had then a few planes flying and we had very few ships. In general, the machines and power used in this war are quite different from those used in 1914-1918. There are other notable differences. When the last war broke out, Russia was our ally, right from the start, and so was Italy. Portugal, Roumania and Japan also were our allies. Therefore, you simply cannot compare what has happened in this war with what happened in the previous one. Furthermore, because of all sorts of new inventions, the striking power that has been placed in the hands of men in our armed forces is so entirely different from what it was a quarter of a century ago that my honourable friend's references to figures mean nothing.

What is the situation to-day in Great Britain as compared with what it was in the last war so far as manpower and womanpower are concerned? Especially, what is it compared with the situation in Canada? By the law of conscription practically all the men and all the women in Great Britain are doing what the state compels them to do. I ask you, is not that correct? To-day every man and every woman in Great Britain from eighteen to well on forty years of age is in that position as a result of conscription. Have you heard any complaint about it at all? I have not. In Great Britain, the land recognized throughout the world as the very heart of freedom, the people have accepted all-out conscription, and not a murmur against it has

ever reached here. I am saying this simply for the purpose of illustrating that necessity has driven the British people to that point,—

Hon. Mr. KING: Hear, hear.

Hon. Mr. CALDER: —and we here in Canada, in a sense—I do not wish to use a harsh term—quibble over whether or not we have reached the point where we have to decide to send another 16,000 men overseas.

Hon. A. L. BEAUBIEN: Will the honourable gentleman tell me why conscription was not applied to Northern Ireland?

Hon. Mr. CALDER: For the very simple reason given by Mr. Churchill in the British House of Commons. He was asked, just as my honourable friend has asked me, why conscription was not applied there. He said he would consider the matter and let his questioner have a reply. Later he stated that, having looked into the question, in his judgment the application of conscription to Northern Ireland might do more harm than good.

Hon. A. L. BEAUBIEN: That does not mean anything.

Hon. Mr. KING: Just reasoning.

Hon. Mr. CALDER: No, it is common sense.

Hon. Mr. KING: Yes, common sense.

Hon. Mr. CALDER: There is a great difference between war as waged to-day and in the last century. Then troops were few and mostly mercenaries. Under existing conditions, when a nation declares war there are in my judgment only two ways in which that war can be carried on: either sufficient volunteers must be enlisted or conscription must be applied. Northern Ireland must be one of the Commonwealth nations—

Hon. Mr. KING: No.

Hon. Mr. CALDER: It is actually part of Great Britain?

Hon. Mr. KING: Yes.

Hon. Mr. CALDER: Then Great Britain had authority to put conscription into force, but evidently there were reasons which made it desirable not to do so. What those reasons were I do not know.

Hon. A. L. BEAUBIEN: Because opinion is divided in Northern Ireland as it is here.

Hon. Mr. CALDER: Consider what the situation might be here. Suppose the people of my province of Saskatchewan were, in effect, to say, "No, we are not going to submit to the conscription law passed by the Parliament of Canada, we don't like conscription, we don't favour it at all," and that opinion was made vocal throughout this country, I wonder whether they would have the right, either morally or legally, to resist the enforcement of that law? That may have been exactly the position in Northern Ireland. For particular reasons, not known to me, the Government decided not to apply conscription. That is their business.

Hon. A. L. BEAUBIEN: That is the British Government.

Hon. Mr. CALDER: It must have been the British Government.

I am much longer on my feet than I expected to be, and if no one objects, I would move that the debate be adjourned now so that I may continue to-morrow.

Hon. Mr. KING: Agreed.

The motion was agreed to and the debate was adjourned.

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

THE SENATE

Tuesday, December 5, 1944.

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

Prayers and routine proceedings.

OVERSEAS REINFORCEMENTS

POLICY OF THE GOVERNMENT

The Senate resumed from yesterday the adjourned debate on the policy of the Government with respect to overseas reinforcements.

Hon. J. A. CALDER: Honourable senators, when I adjourned the debate yesterday afternoon I was, if I remember correctly, having a discussion with an honourable gentleman on the other side—

Hon. Mr. MURDOCK: The honourable senator from St. Jean Baptiste (Hon. Mr. Beaubien).

Hon. Mr. CALDER: —with regard to the Irish problem. I was either trying to reply or had completed a reply to a question that he had put to me. There appeared to be, so far as I could hear, some question as to whether my answer was of any value or not. I do not know. I am not familiar with the facts. But last evening I had an opportunity of meeting an Irishman, a real Irishman from the north of Ireland, an elderly gentleman, but still with all his intellect, and I put the ques-

tion to him. I asked him: "Why in the world haven't you got conscription in Northern Ireland? They have it throughout Great Britain." Do you know what his reply was? He said: "We won't have it. Do you think we are going to allow those Scotch people and those English people and those Welsh people to force us to do what we don't want to do? They can't do that, and they daren't do it. If they try to do it, we will fight." This Irish gentleman went on to say: "We don't need any conscription. We have no men left to be conscripted, because all our men are in the fighting forces now, and have been there for a long time. They have been fighting in Singapore, Malaya, North Africa, Sicily, Italy, all over the desert and everywhere else. Some of these men are desert rats. So we don't need conscription, and we won't have it." Now, whether he is right or wrong, I do not know. If my honourable friend from St. Jean Baptiste has any doubt about it, there is another Irishman sitting somewhere on the other side—

Hon. Mr. MOLLOY: Right here.

Hon. Mr. CALDER: I say to my honourable friend from St. Jean Baptiste: Ask him what is the position in Northern Ireland, and why it is that way. He will give you a very much better answer than I can, for I do not know the facts.

I wish from now on to deal—

Hon. Mr. MOLLOY: Will the honourable gentleman permit me?

Hon. Mr. CALDER: Yes.

Hon. Mr. MOLLOY: I might say that there was no conscription in Southern Ireland either, and about 200,000 men from there have enlisted in the British Army.

Hon. Mr. CALDER: Yes.

Hon. Mr. MOLLOY: The answer Mr. Churchill made when he was asked about conscription in Northern Ireland was that if conscription were applied it would do more harm than good.

Hon. Mr. CALDER: Yes. Notice Mr. Churchill's words, "It would do more harm than good" to put conscription into force in Northern Ireland. If the gentleman to whom I have referred was correct in his statement, the great bulk of the men who would have been taken by conscription had already gone into the British Army.

Hon. A. L. BEAUBIEN: Would not that apply also to England and Scotland, before conscription was put into effect?

Hon. Mr. CALDER: No. Conscription went into effect in Great Britain the day war was declared.

An Hon. SENATOR: Before.

Hon. Mr. CALDER: No, not before the war started. The law was enacted before the war started, but it was not put into effect then; that is my understanding.

Hon. Mr. ASELTINE: That is right.

Hon. Mr. CALDER: I propose to get a little closer to the question now actually at issue here on Parliament Hill. Before doing so I must make reference to the declaration of war by Parliament some time early in September, 1939. All members of Parliament were present; they were here, in both Houses of Parliament, from every province of Canada. Every man knew why he was here. If my recollection is correct, every member of Parliament joined in that declaration of war. We must assume that they knew exactly what they were doing and all that war meant. Yet every member in that Parliament—the last Parliament, not this one—joined in the declaration of war. Every senator here knows exactly why we went into the war. No honourable member regrets that we went into it; I am quite confident of that. We were fighting for a real, definite, well-understood purpose. I ask you, honourable gentlemen, "Is that not correct?" I am sure your answer will be, "Yes, it is correct." When we joined in making that declaration at that time we knew exactly what we were going to fight for, and not one single member of that Parliament, either here or in the Commons, made any suggestion as to the extent of our war effort, the manner in which the war should be conducted, the forces to be used, how they should be raised, or anything of that sort—not one single member of Parliament at that time did anything in order to modify or change or restrict the Government in the slightest degree. In other words, at that time the Government were given power—not in the declaration itself, I suppose, but probably by the introduction of the War Measures Act—to wage war relentlessly against the enemy. I think you will agree with that. They were given power, without restriction of any kind, to do just what I have said. I think necessarily so; and personally I approve entirely of what Parliament did at that time.

Well with what result? Parliament adjourned, and the members of the Government got busy. They had to get busy: it was war. They got busy with their plans—I am speaking now only of the war effort of the Government—and their military officers everywhere got

busy, as were those in France and in Great Britain and in the other Commonwealth nations. All were busy making plans. The Government here considered what they had to do, and they considered also how it should be done; but they did not make those plans all by themselves. They got into conference with their allies either here or in London or in Paris or somewhere else, and they sat around a table. They said, "Now, we must do this and we must do that;" and "Should we do this and should we do that?" For days and days they planned what they were going to do. A great deal of that planning had been done months before because war was staring them in the face. Nevertheless the time came when the Allied nations had to make their plans. They got together and formulated their plans, and those plans were set in motion.

The war went on, and we know what happened. Poland was overrun in a few days; Czechoslovakia was next; Austria at one stage was completely overrun. Then the German armies moved towards Belgium, Holland, Denmark, Norway, and all those countries fell. That undoubtedly necessitated a reconsideration of the Allied plans. Again there were meetings after meetings among the high-ranking military men of the Allied nations, and undoubtedly plans were changed and amplified to meet the ever-increasing demands of the military situation that had developed. Finally, by the end of 1941, let us say, the war situation had completely changed. What was the position in Europe? One country alone in all Europe, Great Britain stood absolutely steadfast to fight the enemy. The plans had to be changed again. In addition to that, there were hundreds of German U-boats all over the Atlantic, from the northern tip of Norway down to the Argentine, sinking large numbers of ships week after week and month after month. Thousands of ships were sunk. Honourable members know that we could not carry on war without ships. I am merely stating this because military authorities had to be constantly changing their plans as to the number of men there should be in the infantry in order to continue the war successfully.

And eventually what was the picture? Canada had very definitely committed herself to provide a certain number of infantrymen. There can be no doubt about that. Indeed, she had pledged herself to provide a certain number, and further, to maintain them in the field. There was, of course, no pledge in writing, no formal contract or agreement, but nevertheless Canada was pledged. France, Great Britain and other Allied nations also had made undertakings to provide and maintain infantry forces. Also, Canada and every other country was bound by what was virtually another pledge, this time to the men in the forces. We have a unit of a thousand men fighting in the field: there are a hundred casualties to-day, two hundred to-morrow, and three hundred the next day. Are we going to do nothing about it? In honour are we not pledged to these men who are doing the fighting? I think we are. I am saying this because the honourable gentleman from Lincoln (Hon. Mr. Bench), if I am not mistaken, suggests that we have gone too far in this war, that we should have been more careful, that we should not have permitted so many men to enlist in the air force and in the navy, and that we should not have built so many ships. I very much doubt the wisdom of that argument.

Hon. Mr. BENCH: Will my honourable friend permit me to interrupt for a moment? I am afraid he took an entirely wrong impression from my remarks. I did not suggest that we permitted too many men to enter the armed services, or that we should not have built so many ships, or that we should not have undertaken the industrial and agricultural commitments which we did undertake. Rather, I suggested that although we should go to the limit, we may have over-expanded or overreached our normal limitations. That was all I suggested. I quite agreed that we should do everything possible, but I did suggest that perhaps we tried to do more than we are able to do.

Hon. Mr. CALDER: Well, I accept the statement, and I apologize sincerely to the honourable gentleman if I have taken a wrong impression from what he said. But what he says now has exactly the same implication. What he says, in effect, is that in view of existing conditions in Canada—I presume that relates to the question of population—there is just a possibility that under the arrangement we made too many men were taken into the forces.

Hon. Mr. BENCH: Does my honourable friend not admit that there might be a limitation to what we can do? There must be some limitation.

Hon. Mr. CALDER: The answer to that will be found on yesterday's record. We should ask ourselves what the people of Great Britain did, and what they are doing now. There is no comparison at all between what we are doing and what they have done, and are still doing to-day. At any rate, the Government alone had the duty of deciding what the size of our forces should be, and the Government did decide. The decision was not made by members of this House or of the other House. Did any member ever

move a motion to the effect that the forces should be reduced? There was plenty of opportunity to do so in the other House, when money was being voted to cover the cost of the armed services, but there is no evidence to show that any honourable member of that House ever presented a motion to reduce the commitments that had been made. Is that correct? I think we should leave that question just where it is. We made the commitments, rightly or wrongly, and my view is that we must stand by them.

There can be only two reasons why our commitments ought to be modified, and if these do not exist, our commitments should remain as they are. One reason would be necessity, real necessity. Let me give an exaggerated example of what I mean. Suppose that to-morrow the Canadian forces in Italy were surrounded and unable to get further supplies of food and ammunition. In consequence they would be taken as prisoners, and would be lost to us. Suppose that three days afterwards the same thing happened to our forces in France—I am not basing this entirely on imagination, for that kind of thing can happen and does happen in war—well, inside of a week or two we might lose our whole Canadian army. Then our commitments would have disappeared completely. That is exactly what happened to the French armies. France fell because she lost a million and a half soldiers within a month or two. Of course, in those circumstances any commitments that France had made became absolutely void.

The other possible reason for reduction would be an agreement reached in conference. Has anyone heard of our Ministers of the Crown or any of our military officers taking part in a conference of that kind? I have not. So far as I know, there has been no conference with any one of our allies with the view of reducing our commitment for the infantry.

Hon. Mr. BENCH: If the honourable gentleman—

Hon. Mr. CALDER: Will my honourable friend pardon me just a moment, until I finish this part of my argument. Then he may ask me a question, if I do not deal with his point in the meantime. Yesterday the honourable gentleman said that Australia had withdrawn men from her army. But that change in Australia's commitments was made as a result of conference and agreement—and for a good reason, of which we all know. I listen for hour after hour to the radio every day—that is about all I have to do—and I have good ears and a fairly good memory. I recall the day I first heard that Australia was taking steps to reduce her commitments. Australia did not do that by herself; she did it after a conference, and because it would be to the advantage of the United States military forces. The United States had a real war on in the Pacific, and in carrying on that war was faced with a tremendous task. I do not know the exact distance, but I assume that Australia must be somewhere between six and ten thousand miles from the United States. That is a long distance to transport supplies of any kind. But the American government did not ask Australia to supply guns, tanks and that kind of thing. No. The United States wanted to send men to Australia in large numbers and was trying to avoid the necessity of shipping them all their food supplies as well. So the government of the United States said to Australia: "You produce the food that we need and we will be able to send more men for our armed forces." That matter was considered in conference, and Australia agreed to meet the wishes of the American authorities. There was an amicable understanding as to why Australia's commitments should be reduced.

Now, if my honourable friend wishes to ask a question, I shall try to answer.

Hon. Mr. BENCH: I am grateful to the honourable senator for a brief opportunity to correct what appears to be misconception by him of what I said last night. I expressly said that I understood there were objections to the reduction of our commitments, and then I went on to say that, having regard to the existing emergency and the things that it appears to be teaching us, there might be very good grounds, without reducing our commitments, to rearrange them. That was all I suggested.

Hon. Mr. CALDER: I did not get that impression. I may have been wrong.

Hon. Mr. BENCH: I am sorry, but that is what I expressly said. I in no way implied that there should be any weakening of our will to do our utmost. I simply said we must recognize that there are some limitations upon our capacity, and that probably we should consider rearranging our commitments, not reducing them.

Hon. Mr. CALDER: But that cannot be done by us alone; it must be done in conference with our allies. I had conceived of implications which the honourable gentleman, from what he said, apparently thinks do not exist. I apologize to him, and he has apologized to me, so I think we might drop the matter.

I have been dealing with the question of commitments of the Government, and I think I have finished all I desire to say in that regard.

I come now to the real issue in this discussion, both in this House and in the other—the question of the voluntary system versus conscription. I think I can base my argument on this illustration, for we must get at the fundamentals. I will take my own province. Let us assume that we go to Saskatchewan, or any other province, and pick up, say, a thousand young men, reasonably fit mentally and physically. I can explain it much better if I am the actor. These men are here a thousand strong. They are not called up, I have simply picked them out to ascertain something. In the first place, I have them graded. There are three elements—age, running, say, from twenty-one to twenty-six years, physique, and mentality. I have them all examined and put them in line, graduated from the highest standard to the lowest. I say to these thousand men, "There is a war on. How many of you right now are ready to volunteer to join the army?" Those who are ready now hold up their hands. There are variations in the mentality, outlook, physique and everything else of those men, and when they hold up their hands, here and there along the line, they do so not according to their real qualifications. I say to those men who have raised their hands, "Please take two steps to the rear," and they stand back. There you have your volunteers. They are ready to go now. In this country and in every other country in the world where the voluntary system prevails there are men who are ready. The volunteer is waiting to go. He is young and has an urge to go; he wants to get into action; he wants to see the world. There are a thousand reasons why he takes that stand. Patriotism is almost certain to be among them. That type of young man will be found in every part of the world. I think you will accept that statement as a fact.

Out of that line we find, say, two hundred and fifty who are willing and ready to go at once, and they stand back in line all by themselves. Then I say to the other young men, "Now, are there any of you who would like to volunteer now, but who are not ready just at this moment to go? If so, hold up your hands?" Again you have got the same sort of pattern. There are men in every part of that line who are willing to go, but conditions vary—some come from farms, others from factories or stores, some of them may be in business, and they simply cannot volunteer at the time. They have to make their arrangements before they can leave home. One of the young men may be just married and building a house. Yes, he would like to go, but he has got to complete that house for his wife and family. However, the question is asked, the hands are held up, and these men are put back in another line. There you have two lines, one of volunteers who can go immediately, and the other of men who are willing to go but whose conditions are such that it is quite impossible for them to go for some time. Then we have a remnant. I do not need to ask what it is. They are men who do not want to go now, they do not want to go in a short time, they do not want to go at all. That condition exists in every group that may be taken from every province of Canada. Exactly the same conditions exist in every line of a thousand men that you might take indiscriminately, not for military purposes, but merely to ascertain those facts. Am I correct? I think I am.

All right. In due course of time the first two lines of volunteers go to war, and the remnant remains. It is in that remnant that the voluntary system fails—not completely, because some of those men eventually go, and I think I can tell you why. Let me give you one or two illustrations. In a little hamlet, say twenty miles from Ottawa, there are ten boys. Of those ten there are four who will not volunteer. They are left in the remnant. One of those boys is in a blacksmith shop, another is on a farm, the other two are doing practically nothing. But no matter what their occupation, they come in contact with their home people, and one day, let us assume, a somewhat elderly man runs across one of those boys. "Hello, Don." he says. "Where is Dick? I haven't seen him for quite a long time." The boy tells him Dick is in the army. The old man does not need to say anything to that boy, not a word. That happens again and again in the home community. Everybody there is interested in the local boys. After a while some of the boys who have gone into the army come back in uniform, and everybody in town is proud of them, and everybody greets them. If those boys come home by train, the people are all at the station to greet them—all but those two or three boys who are in the remnant. They are not in the welcoming crowd at all; they stand aloof. Now, do you imagine that any one of those boys is not thinking, thinking, thinking all the time? He certainly is. He realizes the position he has placed himself in. And I suppose the most powerful influence that is brought to bear upon such a lad is the girls. As he walks down the street he meets one of the girls that he went to school with and has known for years. He says, "Good morning, Annie," and Annie replies, "Good morning," but she does not stop to talk to him, she just passes him by. It happens in every community. In other words, there is a home influence brought to bear upon the

lad who is not willing to volunteer, and as a result of that home influence some of that remnant finally enlist.

But there is still a remnant, and here in Canada of late it is largely that remnant that our military forces have been trying to secure. It is a terrific job, and it can only be done by bringing pressure to bear on those boys. I am not saying that this has been done, but I say those lads can be secured only by some sort of actual pressure. If that pressure is of a certain character—I am not saying it is—it is absolute torture for those lads, and in my judgment should never be exercised. We must always remember that under the purely volunteer system every young man has a perfect right to hold whatever view he has, and if we are using a voluntary system, no one has a right to apply compulsion of any sort. Freedom of conscience, freedom of thought, is what we are fighting for, and no one has the right to point his finger at a boy who takes the stand I have referred to. Under our law he is free to hold any opinion he likes on that question, and I say again, that any person who applies any kind of pressure is doing what is absolutely wrong. I am sure we are all convinced of the truth of that statement. But as a consequence of that situation, if at some stage the need for men becomes acute, your voluntary system is not worth anything. It is ended. That is where we are to-day. The Government have accepted that position and indicated that they cannot hope for a great deal from that system.

But there is another feature of the situation that I do not like; not that I am opposed to it in itself but because of what I may call the apparent results therefrom. We have a home defence army, and 18,000 men from that army have been made available for overseas service.

Hon. Mr. BALLANTYNE: 16,000.

Hon. Mr. CALDER: Yes, 16,000. Now, I ask honourable members to think of what I am saying. On the 23rd of November it was announced that these men would be sent to Europe. The Government has said that 5,000 will go in December, 5,000 in January, and so on. That decision has been made and is now law. Every one of those 16,000 men is available to go overseas. Yet the military authorities are striving to get volunteers from among these very men who, under the present law, must go overseas. Every day I read in the papers or hear over the radio about the wonderful success of the efforts to obtain volunteers from among these men. Am I over-stating it?

I wonder if the men who now volunteer from this home defence force will eventually be listed with the real volunteers. None of these 16,000 men can now be volunteers, for they know they have to go, and they should not be classed as volunteers. In my judgment, all this effort to get as many as possible of them to volunteer should cease.

Hon. A. L. BEAUBIEN: Would you separate them from the others on the fighting front?

Hon. Mr. CALDER: Not at all. They should go right in among the men already there, who are wanting reinforcements and will welcome them. Men who have been fighting day after day and week after week in mud and slush, as some of our overseas troops have been doing, should be able to get a little rest occasionally, but it is impossible for them to get it when their units are not up to strength.

Hon. A. L. BEAUBIEN: Why try to make a point by saying that the men who are going over now will be different from those who volunteered before the order for compulsion was passed?

Hon. Mr. CALDER: The men who are going now are not volunteers; they are all required to go.

Hon. A. L. BEAUBIEN: When they get to the front they will all be on the same footing.

Hon. Mr. CALDER: I do not understand the honourable gentleman's argument.

Hon. A. L. BEAUBIEN: My honourable friend claims there will be a difference between the men who are sent over now and the volunteers.

Hon. Mr. CALDER: I hoped that I had made myself clear, but I shall have to try again. On the 23rd of November the Government passed an Order in Council making 16,000 men in our home defence army liable for service overseas. Now, among those 16,000 men are some who reason in this way: "Oh, under these circumstances, I may as well volunteer."

Hon. Mr. KING: A man would feel better if he said that, wouldn't he?

Hon. Mr. CALDER: No, not one bit better. The Government has passed an Order in Council requiring him to go, whether he volunteers or not. You would expect these men to say to themselves: "This asking us to volunteer is pure nonsense. We all have got to go anyway, so why in the world should we volunteer?" My point is that these men cannot be volunteers, in the sense that men who went over previously were volunteers.

Hon. Mr. KING: That is all right.

Hon. A. L. BEAUBIEN: I did not understand it that way.

Hon. Mr. CALDER: That is the whole point. What I object to is that the military authorities are still trying to get volunteers from among these 16,000 men, and are keeping records of all those who say they want to be considered as volunteers. The chances are that these men will be shown as volunteers along with the other men who were real volunteers. I say that should not be done, and that this effort to get so-called volunteers from among the 16,000 men should not continue.

Hon. Mr. MURDOCK: May I ask a question? In the 16,000 men covered by the Order in Council of November 23rd, are there not included several thousand men who had already volunteered?

Hon. Mr. KING: No.

Hon. Mr. CALDER: Not that I know of.

Hon. Mr. MURDOCK: I understood that General LaFlèche had got over 2,000 volunteers.

Hon. Mr. KING: They are from this group.

Hon. Mr. CALDER: They are from the home defence forces. The doing of that makes very little difference, so far as the men are concerned, for they have to go in any event. But I object to referring to these men as volunteers, because that creates just the kind of wrong impression that my honourable friend from Parkdale (Hon. Mr. Murdock) has. He has the idea that these so-called volunteers are not part of the 16,000 men who, by virtue of the Order in Council of November 23, have to go overseas in any event, whereas in fact they are part of that group. And what do the people think when they read in the newspapers that General LaFlèche has obtained 3,000 or 3,500 volunteers? Does he tell the public just where he got them?

Hon. Mr. KING: They are trained men.

Hon. Mr. CALDER: Does he say that?

Hon. Mr. KING: They are within the trained group.

Hon. Mr. CALDER: Does he say that? What he announces is that he has secured 3,000 or 3,500 volunteers. And, as I have said, these men are not volunteers at all.

Hon. A. L. BEAUBIEN: Would the honourable gentleman discontinue the voluntary enlistment system altogether?

Hon. Mr. CALDER: No, I would not be in favour of that. Let me make clear what I mean. The voluntary system is no longer effective for supplying the number of reinforcements required, and compulsion has to be resorted to. Now, every day throughout the year a certain number of young men become of military age, and if they wish to volunteer I would certainly accept their offer. To that degree I would continue the voluntary system.

Hon. A. L. BEAUBIEN: A good many men in our home defence army are not fully trained, and therefore have not yet been called for overseas service. They should have the privilege of enlisting voluntarily.

Hon. Mr. CALDER: Quite right. Any home defence troops who are not among the 16,000 have a perfect right to be real volunteers.

Now I should like to express my opinion on some points in connection with conscription. The subject is not an easy one to deal with. Every government in the world has its own ideas with regard to this method of securing the necessary forces to wage war, and goes about it in its own way. I suppose there are scarcely two countries that enforce conscription on exactly the same basis. Let me refer to a few countries by way of example. First I will take France, which long ago learned of the need for conscription. If I am not mistaken, France had military conscription in 1870, during the war with Germany.

Hon. Mr. KING: That is right; and also during the Napoleonic wars.

Hon. Mr. CALDER: I know that in the war of 1870 she mobilized her forces over night. Now, why did France have a compulsory system? I suspect it was because of the need to be always ready to defend herself. On every one of her borders she had an enemy or a potential enemy who might strike at any minute, and she had to be prepared. Do honourable members think that the people of France like conscription? Not at all. Do you think people anywhere in the world like conscription? Not at all. Everybody hates conscription, definitely hates it, yet nation after nation all over the world has been compelled to adopt it on grounds of necessity.

Let us look at the United States. That country has not had in the past the same need that France has had for conscription, but to-day full conscription is in effect there. If my recollection is correct, the United States has twice in its history adopted the principle as a national policy, that when war came the men required to serve at the front should be gathered together under a system of conscription in order that any man who was drafted would share in the burdens of war. The basis of the system is equality of service and sacri-

fice. In my judgment the Government of the United States acted wisely, because conscription avoids everything of the nature of what has taken place here in Canada.

I come now to Great Britain. When did Great Britain adopt conscription? Can anybody tell me?

Hon. Mr. KING: 1916.

Hon. Mr. GRIESBACH: 1916.

Hon. Mr. CALDER: In 1916, during the throes of the last war. In other words, Great Britain all through the centuries in all her wars never had conscription, simply because in later years most of those wars were conducted on a purely voluntary basis, and prior to that on a voluntary and mercenary basis —that is, the troops were gathered from every part of the world, and as long as they were willing to fight, Great Britain was willing to pay them for their services. But eventually Britain was compelled to adopt a policy of conscription in order to obtain the forces required to carry on the last Great War, and she adopted it in 1916; not until then. You must bear in mind what I have already said: no people in the world would be opposed to conscription as strongly as the people of Great Britain were. If there is one liberty-loving nation in the world it is Great Britain. She has been and is the bulwark of liberty throughout the world. Yet Great Britain was eventually forced by necessity, in the interest of the state, to adopt a conscription policy.

Then in 1917 conscription came in Canada. I need not dwell upon that. We know what the situation was, and what was done. Again it was a case of necessity. We had tried the voluntary system and it had failed, just as this Government has found it to fail in this war. Its failure was inevitable, for the reasons I have stated in explaining the voluntary system to you. As I say, it is unnecessary for me to dwell upon what happened then and afterwards.

Now we are in exactly the same situation right at this minute—with this difference, that the necessity arises not now, nor did it arise a few months ago when Colonel Ralston went to Europe, it arose two years before that. Do you agree with me? You must. The necessity arose two years ago, and while we had little differences, you might almost say major differences at that time, there was no crisis. Why? Because the character of the conscription adopted at that time was not the character of the conscription proposed now.

Hon. Mr. KING: It was of a character and kind to meet the situation then existing.

Hon. Mr. CALDER: Exactly, I will go further, I will say to meet a situation that necessarily existed. Now let me point out the difference, and it will take me only a minute. What was the situation of the war at the end of 1941? I have already told you what had happened in Europe, and I have told you about the U-boat menace. What was the condition in Canada as a result of all those events? The people of Canada from coast to coast had a fear in their hearts. Otherwise, do you think we would ever have had observers stationed on our coasts, or all the talk about getting sirens to blow warnings, or the trips that our wives and families were making to get material for a blackout? There was in this country actual fear of an invasion, fear that U-boats or aircraft carriers would appear off our Atlantic coast and launch planes that would drop bombs on Ottawa, Montreal, or other parts of the Dominion. When the Japanese came into the war there was the same fear on the Pacific coast. Is not that true? You know perfectly well it is true. There was actual widespread fear of an attack by the enemy.

As a consequence of that we found ourselves here in Canada without any defending force at all. All our men who had volunteered were gone overseas, and we had no troops with which to protect ourselves. Thereupon the Government realized the necessity of bringing into being a home defence force. That force was created, not on a voluntary basis but under a conscription law enacted by the Parliament of Canada. Under this law some thousands upon thousands of men from all parts of Canada were compelled to join this force. Since then we have had extensions of that enactment, and the other day it was made applicable to the war theatre in Europe. I do not blame the Government for that policy, not in the slightest degree. On the contrary I agree that the Government did the only thing they could do in those circumstances. We had reached the stage where a home defence force had to be created, and there was at that time only one way in which it could be created—by conscription. That is why Mr. Cardin, the minister, resigned. He was opposed to conscription.

Now let me deal very briefly with the situation which exists right at this moment. So far as providing reinforcements for our infantry commitments overseas is concerned, there is no doubt as to what will be done. We still have to await the voting in the House of Commons, but in view of all that has happened here during the past week or ten days, I think there can be no doubt as to the result. Those reinforcements will go forward. The Government's decision and undertaking in that respect will be carried out.

What has happened in this country was bound to happen at some stage of the war. I think the most unfortunate feature of the whole situation is that to some extent an agitation has grown up and, in addition, there is a split in the unity of Canada. In my opinion our French-Canadian friends are liable not to see the whole situation exactly as it is. This conscription trouble is not confined to Quebec, it exists in every part of Canada.

Hon. Mr. KING: Hear, hear.

Hon. Mr. CALDER: In every part of Canada there are people opposed to conscription. The number may vary from province to province, but that feeling exists everywhere. The same remark applies to the creation of an army composed of volunteers; there is a similar difference of opinion. Down in the province of Quebec thousands upon thousands of young French Canadians have joined our forces, and fought with marvellous courage. I believe that if our friends in Quebec would look upon conscription as a national rather than a purely local issue, the degree of opposition to its application in any province would make very little difference. I do hope that the conduct of affairs in this country during this crisis, and hereafter, will as far as possible tend to close the rift, and that everybody will try to avoid doing or saying anything that may promote national disunity.

I have finished. I fear I have talked too long, but I hope I have said something that may be of some use to somebody somewhere. I thank you very much.

Hon. W. A. GRIESBACH: Honourable senators, this debate originates under a practice recently established in this House. There being no question before us, and apparently no limitation whatever upon what any senator may say, as to being in order, most honourable members who have taken part in this discussion have prefaced their remarks with the suggestion that what they are about to discuss is the only important matter. Perhaps we may all have the same view of the subject. However, I should like to discuss some matters which have not yet received consideration, at any rate full consideration, and to wander about from point to point.

In the first place, I should like to say that the turn which the war has taken meets with my entire approval. The determination of the Germans to defend their country city by city and town by town is just right. It will enable our armies to destroy the towns and cities as they advance and bring home to the people of Germany what war means to the people of other countries. It will do more than anything I know of towards educating these people, pending the arrival of the Russians, who of course should make a very complete job of it. I have long feared that while soldiers might win the war the politicians might lose it, but I think that under conditions now prevailing or about to prevail the soldiers will win such a thorough victory that the politicians will have little or nothing to do.

I should like to say a few words about conscription, of which much has already been said in this debate. I have never heard a reasoned, logical objection to conscription. I was not a member of the other Chamber in the last war, and I was not in this House when the subject was under discussion in this war, so I missed the points that were made against conscription on those occasions. I repeat that I have never heard a reasoned, logical argument against it from anybody. The general proposition is that conscription is democratic, fair and effective, and I do not know anyone who has met that assertion.

I want to say a few words about the history of conscription. In Canada there was conscription under the old French regime. Men could be called out not only for purposes of war, but also for labour. When General Murray was making out the terms of the capitulation of Montreal, if he had said the old conscription law would be continued there would have been no objection to it and it would have remained in force to this day. Prior to Confederation there was conscription in Nova Scotia, which had about 100,000 men under arms. Under the old Militia Act, which is still in force, Canada may compulsorily require military service of all men between the ages of 16 and 60. During the Fenian Raids men were called out under that Act. In the old days Great Britain had compulsory service for the Navy, and everyone is familiar with stories of the press gang; and there was also compulsory service in the militia, from which for many years men could be compelled to transfer. Great Britain finally dealt with the matter in a formal, legislative way in 1916 or thereabouts, when she introduced conscription for the purpose of maintaining her armies in the field.

The story in the United States is interesting because in many respects, apart from their greater population and wealth, the people of that country are very much like ourselves. Conscription appears to have come into effect for the first time there in 1864, towards the end of the Civil War, when it was obvious to everyone that many able-bodied young men who should have been at the front were staying

at home. So the American government introduced what was called the Draft Act, under which men could be compulsorily taken into the army; but at the same time it enacted a provision that drafted men might hire other men to substitute for them in the army. I think it is a matter of record that many stout Canadians went over to the United States, sold themselves as alternates, or whatever you may call them, then deserted and came back to Canada with the money. In fact, some of my relatives probably joined the American army, and afterwards bolted back to Canada with the bounty. The American authorities did not know just where they went to once they had crossed the border. In fact, some of them came to Hawkesbury and that neighbourhood, where they spent their money.

The United States entered the last war in 1917, and although for a while there was some volunteer enlistment, conscription was adopted almost immediately. Then, some time between the end of the last war and the beginning of this war, probably about 1924 or 1930, the United States General Staff submitted to Congress a memorandum which provided for the raising of an army of ten million men in the next war by conscription. That memorandum was accepted by Congress and thereupon became part of the organic law of the country. Consequently, when this war broke out, there immediately went into effect a national selective system, under which men were called, examined and taken into the service. So far as one can learn from reading American newspapers, there has been no complaint whatever about this method of raising an army. In the army there are many men who no doubt would like to be at home, many who feel that their business and private affairs have been seriously interfered with, but in general the system has worked well and I have not heard of any untoward events. In the last war the United States had disciplinary battalions, and some shooting and killing had to be resorted to to enforce discipline, but, so far as I can learn, the present system has been operating smoothly, and there can be no doubt about the willingness of American troops to fight to the finish.

After you examine the story of conscription in Great Britain, the United States and Canada, one fact emerges, namely, that under the voluntary system the cream of our young men go to the war first, and what is left at the end is the military dregs of the population. Never forget that the cream of Canada's youth has been and is now overseas, and that what we are dealing with here is the military dregs. It is true, as was pointed out by the honourable gentleman who preceded me (Hon. Mr. Calder), that every year among the men who reach military age there are a number of the right sort in birth and breeding, who immediately go active or volunteer for active service before they are called out. I do not include these young men in the term "military dregs." They are natural-born warriors, intent on getting to the war as soon as they can. Some people, who do not know the facts, may think that these young men who volunteer in this way are of the same stripe as those who have been conscripted. They are not. They are part of the cream of the population who volunteer immediately they become of age, leaving the military dregs in the home defence army. I know what I am talking about, because for quite a few months I held an important job in the military service of this country, and I met the various types of young men.

What appears from a study of the subject is that conscription is not necessarily a war policy. It might more properly be described as a peace policy. At best it is a policy for the training of young men in time of peace, so that when war comes these young men may be required to serve in the armed forces of the country. Where that policy has been adopted in peace, before war breaks out, as it was in the United States, it has worked smoothly, but in every instance where compulsion has been postponed till near the end of the war, and it becomes necessary to deal with the country's military dregs, as I have described them, there is trouble. As I have pointed out, trouble was caused this way in the American Civil War, and honourable senators are aware of the trouble we had here in the last war. All such difficulties could be avoided by the adoption of compulsory military service in time of peace, as the system would be well in operation when war broke out.

There was some discussion of a proposal that because of the shortage of men our establishments might be reduced. It has been suggested that in making our commitments someone failed to calculate properly. Well, if all the provinces had made a proportionate contribution of manpower to the army, there would have been no shortage of men. That is all there is to this. Now that Canada has an army and is fighting along with her allies, she cannot consistently retire from any of the commitments she has made; she has got to go through with them. At the moment we are fortunate in having Czechoslovak, Polish, Dutch and Norwegian volunteers serving with us, but in due course they will be going to join their own armies and at that time the Canadian army will have to be made up entirely of troops from this country, and we shall have to provide adequate reinforcements.

In recent newspapers someone speculated on the situation that might arise if somewhere within the French empire there was an English minority, and the question was asked what the attitude of that minority would be towards conscription. There is no parallel at all with the situation in Canada, because under fundamental French law every male citizen is liable to military service; he is called out at the age of twenty and puts in a year or two training in the army, and at the outbreak of war he is called immediately for service in his regiment. If there was an English minority anywhere within the French empire, the men of that minority would have to take military training and, in the event of war, they would be liable to compulsory military service.

The only statement—it is not an argument—that I have ever heard against conscription in this country, is that a certain person does not like it, or that a certain group of persons do not like it. What has that got to do with the question? This is a vital matter, which not only touches the honour of our people but has to do with the security of the nation. The question is this: Is conscription just, fair and equitable? Is it effective? Is there any other system that can take its place? It has been pointed out in this debate that other countries have had experience similar to ours. After the outbreak of war they have begun with a voluntary system, which absorbed the cream of the population, and when a shortage of men made it necessary to enforce conscription at the tail of the hunt, there were many difficulties in dealing with the military dregs that remained.

I venture to say that conscription has not been intelligently discussed in Canada. The question has been beclouded by the likes and dislikes of people, things which have nothing at all to do with it. What we have to determine is the method by which we shall raise our army. Shall we raise it voluntarily until the supply of men falls short, or shall we at the very beginning of war impose conscription and select men according to their fitness, ages and suitability. We have got to come to a proper system of conscription. We cannot any longer run this country on the basis of what people do not like. We do not like taxes, or diseases, or earthquakes, or cold weather or a lot of other things, but we have to accept them and make the best of them, and that is the position we must take with regard to this important question.

The other day the honourable senator from Vancouver (Hon. Mr. Farris) made a curious statement, coming in the middle of his speech as it did. He said he could not understand how it was possible that a young man in first-class physical condition who had received several months military training or was in the uniform of the army could or would refuse to take part in the war overseas. I was confronted with that, and probably the greatest shock I ever had was when I ran into people of this sort. If you had not met them you take it that the only explanation of their attitude is that they are the dregs of our population. I spoke to them, for it was part of my job to find out their attitude. They would talk for a while, then they would look down at their boots and refuse to utter a word. Some few tried to put up a grouch or complaint, but it did not amount to a row of shucks. They simply did not want to go to war; they wanted to get out of the army and return home as quickly as they could. I tried to figure out what sort of people they were and where they came from. I concluded that if one could meet the youths' parents and have an intimate conversation, the explanation might be found in the home training, or in the religious and secular teaching they had received or how they had been influenced by the speeches of public men and by the local press. Eventually I came to the conclusion that no small part of their failure to realize their national responsibility is due to the fact that in many of our public schools we have women teaching boys seven years old and over. When a boy reaches the age of seven I think he should be taught by a man. I feel strongly on this matter, because I have for many years watched the development of this anti-social spirit. There are many fine strong-minded women teachers with sound views on citizenship, but they do not teach boys as well as men do. I believe that a man's rougher nature is best for a boy of that age.

The importance of the reinforcement question has been accentuated by those who have preceded me in this debate. It may startle some honourable members, but the fact that our army overseas has been short of reinforcements has for a long time been known in this country. The information comes from men at the front writing to their relatives. Their letters for the most part are smuggled, bypassing the censor's office. That knowledge accounts for the reaction on the part of the public when the then Minister of National Defence, Colonel Ralston, announced officially that there was a shortage of reinforcements for overseas. The whole country knew it and people began to disclose their information. That the Minister sitting in his office here did not receive truthful reports on the situation is in itself significant. Who is responsible for the misinformation supplied to him? The Prime Minister complained that he was taken completely by surprise when Colonel Ralston

advised him of the shortage. Well, the persons at fault are the officers who had to do with sending forward the reinforcements. The situation is rather confused by the possibility of a shortage of reinforcements despatched from "an eastern seaboard town", as the press term the port of embarkation, or a shortage of reinforcements in our pools in England or at the front. Probably these three shortages should be all combined. But as a matter of fact the Minister of National Defence could not rely upon the reports he was receiving, and he had to fly over to Europe to discuss the matter with the officers commanding units at the front in order to get the true story. He came back with the story they had told him, which was the story already in the possession of our people. One young man I know, who is in command of a battalion overseas, wrote to his father nearly three months ago pointing out that his battalion had shrunk from four companies to three, and the companies instead of being 110 strong were down to 50 men. That is a very serious state of affairs, because the shortage would run through the technical sections in the same proportion. The public knew all about this critical condition—in fact knew more about it than apparently the Minister knew; they were getting information direct from their boys overseas. I repeat, it is a serious matter that the officers whose duty it was to keep the Minister informed, left him ignorant of the actual conditions, and he had to go over to the front and see for himself, something which should have been wholly unnecessary.

Hon. Mr. KING: I think my honourable friend ought to clarify that statement, because when he returned Colonel Ralston reported to the Government that there were sufficient reinforcements in our pools in England and in Italy to take care of the situation until December. My honourable friend ought not to rely on letters as his source of information. Letters may mean something or nothing.

Hon. Mr. GRIESBACH: From the beginning my information has been better than the Government's.

Hon. Mr. KING: You read letters.

Hon. Mr. GRIESBACH: There has been a shortage of replacements for three months, and there is to-day.

Hon. Mr. KING: That was not Colonel Ralston's report to the Government when he returned from the front.

Hon. Mr. GRIESBACH: I know that. I am telling you what my information is, and I say I find it more reliable than the Government's information.

Hon. Mr. KING: I would not say that.

Hon. Mr. GRIESBACH: I do say it. I say the Minister was misled—

Hon. Mr. KING: I am sorry to hear you say that.

Hon. Mr. GRIESBACH: —by his officers, who did not give the facts, and this accounts for the Prime Minister saying, "I was taken by surprise." The information contained in letters from the soldiers overseas to their relatives at home is more reliable than the official information. Those men are right on the ground, they are holding the front. That matter of misinformation should be looked into.

The decision arrived at and embodied in the Order in Council is to dispatch 16,000 N.R.M.A. men as overseas reinforcements. I have already said that there is now and has been for some time a shortage of reinforcements, and therefore these 16,000 men should be dispatched immediately. But knowing those men as well as I do, I express the fears of many other officers who also know them well, that if you give them embarkation leave you will see scarcely any of them again. Indeed, it is just on the cards that three months hence the Government will meet Parliament and say, "Well, we ordered these men to be dispatched; but they have not gone; they are not under control." When a body of young men march down the streets, destroy the Union Jack and make speeches against the Government, that is a political demonstration and the Government must deal with it politically. But when you have men in uniform carrying arms, marching through the streets of any town and defying the Government, that is mutiny. I notice the papers have shied away from the use of that word. But such conduct is mutiny, and it means that the men are not under control. Any Government that abdicates its responsibility and its duty to maintain discipline in the armed forces in time of war is in a bad way. These men have got to be dealt with. As I say, if you give them embarkation leave you will never see them again; as they go through Eastern Canada they will all disappear into the bush. It is quite on the cards that these 16,000 draftees will never reach the port of embarkation. Some may tell me, "Oh, that can be arranged and provided against." It has not been so far. I can tell from the wording of the dispatches that the thing is being rigged right now. We are told already that six battalions stationed in British Columbia have left for Quebec. Those men are going home, and naturally they will give no trouble. They will trouble the Government later. I am of opinion, as one of the

local papers has put it, that on this question the Government is only out on suspended sentence. Not until the men have reached the unit they belong to will the Government have kept its promise and carried out its Order in Council. The men who have been giving trouble have been out of hand for some time, and as they progress from one act of insubordination to another they will become harder to handle. Men in that frame of mind should be dealt with immediately. Even if the Government has to take the responsibility for shooting some of them it must maintain military control. My honourable friend shakes his head.

Hon. Mr. KING: I am surprised at your suggesting such possibilities at this stage.

Hon. Mr. GRIESBACH: What is the matter with my suggestion?

Hon. Mr. KING: I am surprised.

Hon. Mr. GRIESBACH: You don't like it?

Hon. Mr. KING: I am not worrying about it, but I am surprised that you, a former officer, should at this time be suggesting anything of the kind. I think the suggestion is both unfair and unwise.

Hon. Mr. GRIESBACH: It discloses that there is something wrong in the control of these men.

Hon. Mr. KING: It is among your people, then.

Hon. Mr. GRIESBACH: You will not improve the situation by refusing to recognize it.

Hon. Mr. KING: Would it not be better for you as an officer, to go to the Department and advise the officers there of your fears, instead of disclosing them to us?

Hon. Mr. GRIESBACH: I have nothing to do with the Department. If you do not care to listen to me, well and good, but I am saying what I have to say. I believe these men are going to cause more trouble. Their officers should have dealt with them on the spot. Apparently something has intervened to prevent their taking proper action. I know if I had been in command of those men I would have felt pretty much ashamed of myself if I had allowed the trouble to develop. I would very much rather take responsibility for drastic action than allow a thousand men odd to march around defying the Government and assaulting their officers. It is, I repeat, a serious matter, and I cannot understand anybody trying to laugh it off. It must be dealt with by those who realize that it is a serious matter.

Hon. Mr. LAMBERT: As a matter of information, may I ask the honourable senator whether he attaches any importance to the statement made earlier by the commanding officers to the effect that the response of these men of the Home Defence Army to compulsion for enlistment was simply this: "We are conscripted. We are not enlisting voluntarily. If the Government want to send us to another place, let them send us; we are willing to go." That was the point of view of the men as expressed by commanding officers favouring the compulsory sending of N.R.M.A. men overseas. Everything that my honourable friend has said about the attitude of these men seems to be contrary to the reports made by commanding officers. I should like to know what importance he attaches to those reports.

Hon. Mr. GRIESBACH: My mind goes back to how they got their information. Was a meeting held at which there was a show of hands to a definite proposition? Or did the officers on the morning parade question some of the men who said, "If we are compelled to go we will go"? How was the information obtained? I go to that right away. Somebody out there said, "If these men are conscripted they will go." All right, how did he find that out? Was it by a show of hands from the battalion, something that would bind the men, or did he hear it from one or two men? I ask again, how did he get his information?

Hon. Mr. LAMBERT: I do not know.

Hon. Mr. GRIESBACH: You do not know, and I do not know either.

Hon. Mr. LAMBERT: Would you not assume that the non-commissioned officer would be able to get that information?

Hon. Mr. GRIESBACH: His information is of very little value because, among other things, the attitude is so unreasonable. I cannot see how anybody could get that information unless he had the whole battalion on parade and commanded a show of hands. There is something wrong. A good many fishy stories appear in the paper that do not make sense to me.

Hon. Mr. KING: Hear, hear.

Hon. Mr. GRIESBACH: What is that?

Hon. Mr. CALDER: He agrees with you.

Hon. Mr. GRIESBACH: That is a very comforting thought.

The Japanese war is still before us. Our proximity to the United States and our interrelationship with that country in many

ways, to say nothing of the conversations that have taken place between the President and our Prime Minister, necessitate our taking a real part in the war against Japan, pulling no punches, but playing a real part to the utmost of our capacity. How are we going to fight that war? Are we going to demobilize our army, pay gratuities and so on, and then re-enlist the men, or are we going to compel those who have served in Europe to remain in the army and fight in the Pacific? What is the plan? There must be a plan to raise some kind of army. I am wondering whether it will be done by compulsion, or by bribery, or how. The public should be enlightened on that at this time, I think.

Our future relations with the United States are going to be on a different basis from what they have been. President Roosevelt declared the determination of United States to come to our rescue if we got into trouble. There was a double meaning in that declaration. It meant that we ought not to get into trouble, that we must keep an army capable of defending our frontiers and preventing an enemy from coming down upon the richest part of United States, which lies immediately to the south of the Ontario and Quebec frontier. If we fail to maintain an adequate military force, our relations with the United States will not be very cordial. We should be thinking now of the kind of army that we are going to have after the war, in order to preserve good relations with our neighbour. Shall we have conscription? Or shall we rely on the voluntary system? The voluntary system has broken down in this country, for reasons which I could discuss if time permitted. Whatever system we adopt, the United States will expect us to protect our own frontier, and thereby its own.

One thing is quite clear: the United States will not consent to the establishment of a gingerbread republic on the banks of the St. Lawrence. We can count on that. We cannot count upon the United States interfering in our affairs to a considerable degree, for military reasons, unless we maintain well-organized and well-disciplined armed forces. A hand-to-mouth, day-by-day policy is likely to land us in a good deal of trouble. I should like to know that somebody is giving some thought to this question, but I do not see much evidence of it.

Canada is great in area and in natural resources, and as a result of normal development will some day become a great country. Canada cannot be a hermit nation. As the years roll by we shall become of more and more importance in the world. We must therefore interest ourselves in world affairs. Our geographical location, amongst other things, makes us an important nation and requires that we shall play our part in the international arena. We cannot afford to be a mean or a servile people. We cannot afford to come under the influence of womanish hysteria; we have to deal with facts in a manly fashion. I think the Spartan valour of our soldiers gives us some idea of the kind of people we ought to be.

We have spent decades in striving for national unity, and this is the stage we have reached: we of the majority are asked to forget our Mother Country and to stand aside while she faces the enemy alone and by her exertions and example saves civilization. We are asked to ignore the plain teaching of history, namely, that when predatory nations get on the march they must be met and stopped, or the whole world will be enslaved. We cannot stand idly by in Canada and say that what goes on elsewhere has nothing to do with us.

Hon. Mr. KING: We have not done that.

Hon. Mr. GRIESBACH: No, we have not done that, and we must continue to play our part. That very fact gives rise to many problems that will have to be discussed. We shall have to maintain a substantial air force, a substantial navy and a substantial army. I submit there is no escape from that. I submit, moreover, that we should be devoting our attention now to the inauguration of a system of conscription which we are going to make effective, for we cannot any longer rely upon a voluntary system in event of emergency.

In our endeavour to achieve national unity we have been asked to ignore the plain teachings of history, that the world is contracting and that aggressor nations have to be stopped. The honourable leader of the Government (Hon. Mr. King) points out that we have not stood aloof from world affairs. But we were asked to restrict our activities to our own frontiers.

Hon. Mr. DUFFUS: By whom were we asked to take that attitude?

Hon. Mr. GRIESBACH: We were asked by the C.C.F. party, which said that we ought to have nothing to do with this war, beyond sending supplies abroad. And the view of Quebec, which was expressed in speeches in this House, was that the war is a British war which has nothing at all to do with us.

Hon. Mr. LESAGE: Who said that?

Hon. Mr. GRIESBACH: I do not remember at present who said it. As a matter of fact, it was said by a good many people.

Hon. Mr. LESAGE: Not in this Chamber.

Hon. Mr. GRIESBACH: I have not the reference now, but I shall look it up. There certainly is no doubt that many people expressed that view through newspapers in Quebec. It was said that this is a British war, and it has nothing to do with us. That is the price we have been asked to pay for national unity. Nobody ever asked us what our feelings were, or what we thought about the matter. We were told that if we wanted national unity we should have stayed out of this war; and that now we are in it, we should do as little as possible. Honourable senators, that is too high a price to pay for national unity. Somebody should state the truth about this. The truth is that a majority of people in this country are fed up with trying to purchase national unity at a price that is too high. We will not pay that price. What we do hope to have in this country is democratic rule by the majority, for a change. We hope that our public men and leaders will have the intestinal fortitude to carry out that policy, let the chips fall where they may.

The Hon. the SPEAKER: Does any other honourable senator desire to speak? If not, I will declare the business before the House concluded.

ADJOURNMENT

Hon. J. H. KING: Honourable senators, I am advised that there is no likelihood or expectation that the other Chamber will have any matter requiring reference to the Senate. That being so, I would remind honourable senators of a motion that we passed here on the 1st of December, providing that when the Senate adjourns at the conclusion of these sittings it stand adjourned until the 31st of January, at 3 o'clock in the afternoon.

I will now move the adjournment of the Senate. Honourable members understand, of course, that in accordance with the resolution passed at the beginning of this session, we are subject to recall by His Honour the Speaker at any time.

Hon. C. C. BALLANTYNE: Before the motion for adjournment is put, I wish to thank the honourable leader of the Government (Hon. Mr. King) for having the Senate convened on this occasion. We have not all seen eye to eye on the various aspects of the subject that has been considered, but during the debate much valuable information has been obtained. In my opinion, it was well worth while to have the Senate meet at the same time as the other House, and now that our debate is finished, I agree with the honourable leader that it is well to adjourn. Before concluding, let me emphasize that these sittings have been valuable and profitable.

The Senate adjourned until Wednesday, January 31, 1945, at 3 p.m.

THE SENATE

Wednesday, January 31, 1945.

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

Prayers and routine proceedings.

PROROGATION OF PARLIAMENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Honourable Thibaudeau Rinfret, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 2.45 p.m. for the purpose of proroguing the present session of Parliament.

THE LATE SENATORS LOGAN AND GRIESBACH

TRIBUTES TO THEIR MEMORY

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, it is with regret that I have to advise the House that two of our colleagues have recently departed from this sphere. I refer to the senator from Cumberland, (Hon. Mr. Logan), who died on the 27th of December, 1944, and to the senator from Edmonton (Hon. Mr. Griesbach), who died on the 21st of January this year.

Senator Logan was born in the year 1868, at Truro, in the province of Nova Scotia, and educated at the Pictou Academy and Dalhousie University. He entered politics while a very young man, and was elected to the House of Commons in 1896, 1900, 1904, and again in 1921. During the time he was a member of that House he was interested on all occasions in matters pertaining to the welfare of the Maritime Provinces. At the session of 1921 he discussed and interested members of the Government and of the House of Commons in the opportunities for and advantages of greater trade between Canada and the islands of the British West Indies. As a consequence he was asked by the Government to proceed to those islands and to intimate to the authorities there that a conference might result in better trade relations between the two countries. He under-

took the mission and was successful, and at a conference held in 1925 a trade agreement was entered into between Canada and the West Indies. As part of that agreement the Government of Canada undertook to establish a line of steamships between the islands and ports on the Atlantic coast of Canada; and, as honourable members are aware, an excellent line of steamships known as the "Lady" line, went into operation and did much to promote trade and to better Canada-West Indies relations generally. Unfortunately the war has disrupted that service, but we can be hopeful that it will be renewed after the war is over.

In 1928 Mr. Logan, as he then was, became a director of the Canadian National Railways; and after serving in that office for a year he was summoned to the Senate.

It is my desire and, I am sure, the desire of all who surround me, to extend to his sister, Miss Lucy Logan, as well as to other relatives and near friends, our sympathy in their bereavement.

Senator Griesbach likewise had a long political career. He was born at Fort Qu'Appelle, Saskatchewan, in 1878. That takes one back to the early days in the history of Saskatchewan which, like Alberta, was not then organized as a province, but was part of the Northwest Territories. He was educated at St. John's College, in Winnipeg, Manitoba, and was called to the Bar in 1901. He became interested in municipal politics in the city of Edmonton, and was elected alderman in 1905 and 1906, and mayor in 1907. He also was a candidate for a seat in the provincial legislature in 1905 and again in 1913. In 1911 he entered the federal field as a candidate in the constituency of Edmonton, and in 1917 was elected to the House of Commons for West Edmonton.

Although he gave so much of his time and ability to politics, he was primarily a soldier. As a young man he served in the South African war, and for his service in that campaign was decorated with the Queen's Medal and four clasps. At the outbreak of the Great War, in 1914, he volunteered for service and served throughout that conflict. In October, 1915, he arrived in France with the 29th Battalion with which he served until February 12, 1917, when he was promoted to Brigadier General in command of the First Canadian Infantry Brigade. For his services in the Great War he received the D.S.O. and Bar, C.M.G. and C.B., and was six times mentioned in dispatches. In 1921 he was promoted to the rank of Major General. In this war he served as Inspector General for Western Canada, a position from which he retired in April, 1943. I am informed that during the last few months the late senator spent some time in writing a history of the early days in the great West, which he so ably represented. The publication of his book, I understand, has not yet been completed. When it is, it should be a work of great interest.

I am sure that my honourable friends about me will join with me in expressing deepest sympathy to Mrs. Griesbach and other members of the family in their sad bereavement.

Hon. C. C. BALLANTYNE: Honourable senators, it is only a few weeks since this House adjourned, and in that short interval two of our members have passed to the Great Beyond. I refer to Senators Logan and Griesbach.

The honourable leader of the House has fittingly mentioned the important role that Senator Logan played in the Parliament of Canada when he enjoyed the good health that was his for a number of years. Unfortunately, in later years he suffered from ill health and therefore was not able to give to his duties either in this House or in committees that attention which formerly he had been in the habit of giving. The honourable leader spoke of the great service that was rendered, not only to Canada but to the West Indies, when Senator Logan arranged for the conference out of which developed a large and lucrative trade between those two countries. In the performance of his full duties in this Chamber, and in another place, our late colleague set an example that it would be well for the youth of this country to emulate. I join with my honourable friend in expressing the sympathy of all on this side of the House to the late senator's sister in her bereavement.

Senator Griesbach was one of the most colourful personalities of this Chamber, and will be greatly missed. He was forthright and fearless in the expression of his opinions on public matters. As a particularly keen student of military affairs he followed in the footsteps of his father, who commenced military life in India and, when he passed away in Victoria some years ago, was a retired superintendent of the Royal Canadian Mounted Police. The late senator was active in civic, political and military affairs, the last being not the least prominent branch of his activities. His military views were highly valued and much sought after. He was a veteran of three wars, with a long list of military honours. Vigorous in appearance and speech, he delivered, just before the end of our sittings last December, one of the most forceful and important speeches on the war situation. From the time that he was summoned to this Chamber, Senator Griesbach took an active interest in and was at all times

a decisive and intelligent speaker on the legislation coming before us. His work in committees was also of the greatest value.

All on this side of the House join with the honourable leader of the Government in expressing to Mrs. Griesbach our deepest sympathy in her bereavement.

Hon. G. V. WHITE: Honourable senators, having been intimately associated with our late colleague Senator Griesbach ever since he became a member of this House, I should like to pay a tribute to his memory. He was a man who made a valuable contribution to both the public life and the armed forces of this country. Although I had known of him by reputation for many years, my first acquaintance with General Griesbach was during the last war.

He was a patriotic Canadian and a firm believer in the maintenance of our partnership within the British Empire. His military record, which has been referred to by the honourable leader of the House, was one of which any man might be proud. His first venture, while still a very young man, was to serve with the Canadian Mounted Rifles in the South African War. Retaining his interest in military affairs, in 1906 he took a commissioned rank in the 19th Alberta Dragoons. At the outbreak of the Great War, in 1914, he proceeded overseas as second in command of that unit, which was the First Canadian Division Cavalry Squadron. Promoted to the rank of Lieutenant-Colonel in December, 1914, he came back to Canada to raise and command the 49th Infantry Battalion, with which, in 1915, he returned overseas. Later he was promoted to Brigadier General, in command of the First Canadian Infantry Brigade. As the honourable leader has stated, our late colleague received many decorations for his war services and was mentioned in dispatches no fewer than six times. In September, 1921, he was raised to the rank of Major-General in the Canadian Militia.

In the present war General Griesbach again offered his services to his country, and he was appointed to an important position; but unfortunately, owing to ill health, he was later compelled to retire. He was, as we all know, a very strict disciplinarian. Nevertheless, he always enjoyed the esteem and confidence of every officer and man who served under him. This was due to the fact that he was fearless and would not order his subordinates to assume any risk that he himself was not willing to take.

The public record of General Griesbach in the service of his country is, I am sure, well known to every honourable member of this Chamber. In his demise the Senate of Canada has suffered a serious loss. I join with my colleagues in extending to Mrs. Griesbach our deepest condolences.

Hon. WILLIAM DUFF: Honourable senators, as one of the members of this honourable body from the province of Nova Scotia, I feel it my duty to rise on this occasion and say a few words especially with regard to one of our deceased colleagues. No one will expect me to say much about General Griesbach, for I was only slightly acquainted with him; but I appreciate the tributes that have been paid to him as a fighter. Members of this Chamber, in common with the people of the country, admire a man who fights. There is no question that Senator Griesbach was never afraid to express his opinion. He was always fearless and said just what he thought.

My chief object in rising is to say a few words about the senator from Nova Scotia who has passed away since we last met here. I had the honour of knowing Senator Logan since 1896. That goes back to the first election in which I cast a vote. Mr. Logan was a very young man at that time, but he was virtually the idol of Cumberland county. He was a lawyer, practising in the town of Amherst, and he had a good practice; but when the call for public service came he, like young David, took his sling shot and went out and slew a giant. In other words, he defeated one of the Cabinet Ministers of the Government of that day, the Honourable Mr. Dickie. In 1900 he ran again, and was re-elected. That time his opponent was Honourable C. H. Cahan, who afterwards became Secretary of State in the Bennett Cabinet. Mr. Logan was again re-elected in 1904. He was a candidate in 1908 and 1911, but on both occasions he was defeated by another gentleman from Nova Scotia who later on graced the Speaker's chair in another place and, still later, was summoned to this Chamber. I refer to the late Senator Rhodes.

In the wartime election of 1917 which, I may say was a very difficult election for anyone in Nova Scotia—Mr. Logan was chosen by the people of Cumberland, but he was defeated by the overseas vote. Again his opponent was the late Senator Rhodes. In 1921 his people elected Mr. Logan once more, and he came back to the other Chamber for another four years. Then, in 1929, he was appointed to this Chamber, of course for services which he performed in the interests of the Liberal party in Nova Scotia.

We in Nova Scotia, who knew Senator Logan best, appreciated the fact that he was a square shooter. In spite of what was said,

he never did anything wrong. The people of that province, both Conservatives and Liberals, always respected him during his long public career, and now that he has gone they respect his memory.

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 having been summoned, and being come with their Speaker, the Honourable the Deputy of the Governor General was pleased to close the Fifth 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 war is now in its sixth year. To-day, decisive battles are being fought on German soil. Under sustained pressure the defeat of Germany is but a matter of time. Present operations involve bitter fighting and heavy losses. The last phase of the struggle in Europe may well be the most costly of all. To effect the utmost saving of human life, every effort must be put forth to end the war as swiftly as possible. This clearly remains the supreme objective.

In the year that has passed since the opening of the present session, German forces everywhere have been compelled to yield ground. The whole territory of the Soviet Union has been liberated. The long awaited offensive in the West was successfully launched on June 6th. One by one, great European capitals have been taken back from their conquerors. The enemy has been almost completely swept out of France, Belgium, Luxembourg, Greece, Yugoslavia, and Poland. The liberation of Holland, Norway and Czechoslovakia has begun. Germany's satellite states have all been driven from her side. Her frontiers have been breached. Her war industries are being systematically demolished. On the east and the west and from the south, the Allied forces are pressing on to the very heart of Germany.

In the struggle against Japan, the long Chinese resistance has been maintained. Allied forces have successfully invaded the Philippines. Significant gains have been made on the Asiatic mainland. Bombing raids have brought the war home to the Japanese islands and their industrial strongholds. On both sides of the world, the United Nations have gained supremacy at sea and in the air. It is but a matter of time until the combined power of the Allies will be concentrated against Japan.

Throughout the year, Canada's navy and air force continued their vital work in the North Atlantic. In the landings in Normandy, and in all the campaigns since D-day, the navy and the air force have supported Canada's army. Our soldiers have won a foremost place by their magnificent conduct in battle in Italy, in France, in Belguim, in Holland, and on the borders of Germany. Canada's fighting men of all the services, wherever they have fought around the globe, have brought imperishable honour to our country.

In the campaign in northwest Europe, infantry casualties in all Allied armies were much heavier than had been anticipated. In order to guard against a possible shortage of fully trained infantry reinforcements, it became necessary and advisable to adopt the procedure outlined in 1942. Reinforcements have been regularly forthcoming on the extended scale thereby provided for. To our armed forces, Canada has given, and will continue to give, the fullest support in men, munitions and supplies.

As an integral part of a total national effort, Canada has continued to provide mutual aid to our allies. For the joint and effective prosecution of the war, Britain, Russia, France, Australia, New Zealand, China and India have been furnished with Canadian war supplies and foodstuffs.

With your approval, the principle of mutual aid was extended to include contributions by Canada to relief and rehabilitation in liberated countries. In the period of transition from war to peace, the provision of international relief will help to maintain full employment of Canadian man-power and resources.

As in the previous sessions, your attention has been directed to the winning of the war as the first of all objectives. Next to the winning of the war, the winning of the peace is the supreme end to be achieved. My ministers hold strongly to the view that peace can only be made lasting through co-operative action on the part of peace-loving nations. They believe that the nations now united in the common purpose of winning the war should seek unitedly to ensure an enduring peace. To this end, Canada has sought to make a positive contribution.

During his visit to Britain in May, my Prime Minister exchanged views on the subject of a world security organization with the Prime Ministers of other nations of the British Commonwealth. Since that time, preliminary conferences of the greater powers, on the establishment of an international security organization, have been held at Dumbarton Oaks. In anticipation of a general conference, Canada's views respecting some aspects of the proposals of the preliminary conferences have since been communicated to these powers.

World security is the basis of lasting prosperity and of social security. Prosperity, like security, cannot be the possession of any nation in isolation. Prosperity, likewise, demands international co-operation. Canada's prosperity and the well-being of our people are bound up with the restoration and expansion of world trade. To the efficient employment of vast numbers of Canadians, export markets are essential. Similarly, to raise the standard of living, larger imports are needed. In this belief the Government has continued, in accordance with the principles of the Atlantic Charter, to explore with other countries the means by which, after the war, international trade may be revived and developed.

The vital importance of exports in maintaining employment was recognized in legislation, which has since been brought into effect, to provide for the insurance and guarantee of

export credits. Provision was also made for the expansion of the trade commissioner service of Canada.

During the session, all customs duties on farm implements were removed, thereby helping to keep down farm costs, with benefit alike to the producers and consumers of agricultural products. By this important measure, my ministers have also given concrete evidence of Canada's readiness, in association with other nations, to further international trade by the reduction of tariff barriers.

The assurance of opportunity of employment for all who are willing and able to work is the corner-stone of the Government's programme to achieve prosperity and social security. There is a special responsibility to establish the men and women of our armed forces in useful and remunerative activities. The maintenance of a high level of employment and production after the war is the first essential of a policy which also aims at a rising level of human well-being. The many important measures enacted at the session now closing mark substantial progress towards the attainment of these goals. Practically all these measures are already in force. Viewed collectively, they form an impressive legislative achievement. In their comprehensiveness and inter-relation, they constitute a major instalment of a programme to prevent the possible recurrence of unemployment and insecurity in post-war years.

To further the Government's policies of full employment, social security and human welfare, three new departments of government have been established, all of which are now under the direction of responsible ministers of the Crown:

1. The Department of Veterans Affairs;
2. The Department of Reconstruction; and
3. The Department of National Health and Welfare.

The Department of Veterans Affairs has charge of the rehabilitation and re-establishment of members of the armed forces, and of the administration of veterans' pensions and allowances.

The new department is already administering measures directly related to the re-establishment of veterans in civil life, the care of disabled veterans, and the provision for the dependents of those who have given their lives. The administrative machinery for this vast undertaking is being steadily developed and improved. Nearly 200,000 veterans of this war have already been re-established in civil life.

The War Service Grants Act and the Veterans Insurance Act, passed at the present session, round out the most comprehensive programme yet adopted by any nation for the welfare of its war veterans and their return to active civilian pursuits.

The Department of Reconstruction is engaged in making preparations for the speedy conversion of war industries to meet peacetime needs and to maintain industrial employment. It is also promoting and co-ordinating programmes of national and regional development, housing and community planning, and other projects which may be required to maintain employment in the post-war period. It is responsibile for the orderly disposal of surplus war assets in the national interest. Representative agencies are already engaged in this large and important task.

To assist in the conversion of war plants, and in the development of small and medium-scale enterprises, an Industrial Development Bank has been established. It is now in operation.

In keeping up the level of employment after the war, housing should play a large part. To provide for the construction of new houses, the repair and modernization of existing houses, and the improvement of urban and rural housing and living conditions, the Nationnal Housing Act was greatly expanded in scope.

In the decennial revision of the Bank Act, made at the present session, special recognition was given to the importance of credit in stimulating employment. The new Act has greatly improved the credit facilities and the banking services available to the people of Canada. By supplementary legislation, special provision was made for intermediate and short term credit to farmers for the improvement and development of farms and farm homes.

The Department of National Health and Welfare is engaged in organizing and administering important activities of the federal Government in the field of health and social welfare.

In opening the present session, I said that, in the opinion of my ministers, plans for the establishment of a national minimum of social security and human welfare should be advanced as rapidly as possible. In the establishment of this national minimum, the new department has the responsibility for federal measures to promote health and welfare, and for the planning of comprehensive insurance against social hazards.

A considerable measure of social security is already provided under federal and provincial social legislation. But the working out of a comprehensive national scheme in which federal and provincial activities will be integrated will require further consultation and close co-operation with the provinces.

I announced, at the opening, that the Government was prepared to recommend a measure to provide for federal assistance in a nation-wide system of health insurance. Such a measure would include assistance to the provinces for preventive medicine. I also stated that the Government was prepared to support a national scheme of contributory old age pensions on a basis more generous than that of existing pensions. The introduction of these measures is conditional upon suitable agreements with the provinces. My ministers reaffirm their readiness, as soon as such agreements are reached, to proceed with these great social reforms.

Recognizing the importance, to the maintenance of post-war employment and to the achievement of social security, of close co-operation with the provinces, the Government undertook and is carrying forward preparations for the holding, at the earliest appropriate date, of a Dominion-Provincial Conference.

In the belief that the family and the home are the foundation of national life, provision has been made for family allowances to aid in ensuring a minimum of well-being to the children of the nation, and to help gain for them a closer approach to equality of opportunity in the battle of life. Family allowances are being administered by the Department of National Health and Welfare. The registration of children begins to-morrow. The payment of allowances is to begin from July 1.

In the opinion of my ministers, the Family Allowances Act and other social security measures designed to ensure a national minimum of human welfare will aid materially in maintaining production and employment.

The basic standard of living of the Canadian people and the purchasing power of the dollar have continued to be successfully protected by the price ceiling and other policies of the Government designed to prevent inflation. The value of these policies will be more apparent than ever in meeting post-war problems.

As a further safeguard of a basic standard of living, provision was made at the present session for floors under the prices of farm and fish products. These measures insure two great primary industries against the hazard of a collapse of markets or prices after the war.

To advise and assist the Government in the regulation and development of civil aviation, an Air Transport Board has been established. Under the Government's policy regarding post-war civil aviation, of which you have been informed, international and transcontinental services are reserved for public development; local services may be developed by private enterprise.

In April and May, a meeting of Prime Ministers of the British Commonwealth was held in London. My Prime Minister participated in its proceedings and, while in London, addressed a meeting of the members of both Houses of the Parliament of the United Kingdom.

In September, for the second time during the present war, the Government was host to the Prime Minister of Great Britain and the President of the United States and their advisers, at a conference held at Quebec.

In the same month a meeting of the Council of the United Nations Relief and Rehabilitation Administration was held at Montreal. During the year, Canada was also represented at the International Monetary Conference at Bretton Woods and at the International Conference on Civil Aviation at Chicago. There were continuous conferences on a variety of subjects between my ministers and the governments of the United Kingdom and the United States.

The Sixth and Seventh Victory Loans, held during the year, substantially exceeded their objectives. In each loan, the number of individual subscribers established a new record. You will be gratified by this unparalleled response, and will desire me to record your appreciation of the splendid services of the National War Finance Committee and its provincial and local organizations.

During the past year, relations between employers and employees have been increasingly harmonious. A larger number of workers have been employed throughout the year than ever before. The production of food-stuffs and of the raw materials and finished munitions of war exceeded production in any previous year.

Too high a tribute cannot be paid to the unselfish devotion to wartime duties of the vast majority of our people in all walks of life. In addition to their daily tasks, hundreds of thousands have given freely of their time and energies to indispensable voluntary activities. By their efforts at home, the men and women of Canada have demonstrated their eagerness to support to the utmost the fighting forces overseas.

Members of the House of Commons:

I thank you for the financial appropriations for the prosecution of the war.

The provision you have made for the exercise of the franchise in a general election by the men and women in the armed forces will afford them the widest opportunity to exercise this fundamental right of citizenship.

Honourable Members of the Senate:

Members of the House of Commons:

Canada's war effort over the past five years speaks for itself.

As I bring to a close this fifth session of our war Parliament, I join with you in a prayer for a speedy end to the horrors and sacrifices of war. In God's keeping, we leave our heroic dead. We shall ever honour their memory. For the bereaved, we ask comfort and consolation. For the prisoners of war, the missing and the wounded, we pray for an early release from their privations, anxieties and sufferings. More than ever our thoughts are of the hundreds of thousands of our young Canadians, who, with their comrades-in-arms from other lands, have offered their lives to save from conquest and servitude the free nations of the world. We humbly pray that Divine Providence may grant to all who survive the ordeal of battle an early and triumphant return to their homeland.

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