

On motion, it was—

Ordered, That when the Senate adjourns it do stand adjourned until a quarter to three o'clock this afternoon.

The Senate adjourned.

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## SECOND SITTING

2.45 p.m.

The Honourable W. E. FOSTER, Speaker.

The Members convened were:—

### The Honourable Senators

Arthurs,	Fortin,	Macdonald	Rhodes,
Ballantyne,	Foster,	(Cardigan),	Riley,
Beaubien,	Gordon,	Macdonell,	Robicheau,
Bénard,	Graham,	Marcotte,	Robinson,
Black,	Green,	McDonald	Sauvé,
Blondin,	Haig,	(Shediac),	Sharpe,
Bourgeois,	Harmer,	McGuire,	Sinclair,
Brown,	Horsey,	Molloy,	Smith (Victoria-
Buchanan,	Hughes,	Moraud,	Carleton),
Calder,	Jones,	Mullins,	Spence,
Cantley,	King,	Murdock,	Sutherland,
Casgrain,	Laird,	O'Connor,	Tanner,
Chapais	Leger,	Paquet,	Tobin,
(Sir Thomas),	L'Espérance,	Pope,	Turgeon,
Copp,	Little,	Prevost,	Webster,
Coté,	Logan,	Quinn,	White (Inkerman),
Dandurand,	MacArthur,	Rainville,	White (Pembroke),
Fallis,		Raymond,	Wilson (Rockcliffe).

The Senate adjourned during pleasure.

After a while, His Excellency the Governor General having come, and being seated on the Throne,—

The Honourable the Speaker commanded the Gentleman Usher of the Black Rod to proceed to the House of Commons and acquaint that House that,—

It is His Excellency the Governor General's pleasure that they attend him immediately in the Senate Chamber.

The House of Commons being come,

Their Speaker, the Honourable Pierre François Casgrain, said:—

May it please Your Excellency,—

The House of Commons has elected me their Speaker, though I am but little able to fulfil the important duties thus assigned to me.

If, in the performance of those duties, I should at any time fall into error, I pray that the fault may be imputed to me, and not to the Commons, whose servant I am, and who, through me, the better to enable them to discharge their duty to their King and Country, humbly claim all their undoubted rights and privileges, especially that they may have freedom of speech in their debates, access to Your Excellency's person at all seasonable times, and that their proceedings may receive from Your Excellency the most favourable interpretation.

The Honourable the Speaker of the Senate answered:—

Mr. SPEAKER,—I am commanded by His Excellency the Governor General to declare to you that he freely confides in the duty and attachment of the House of Commons to His Majesty's Person and Government, and not doubting that their proceedings will be conducted with wisdom, temper and prudence, he grants, and upon all occasions will recognize and allow their constitutional privileges. I am commanded also to assure you that the Commons shall have ready access to His Excellency upon all seasonable occasions, and that their proceedings, as well as your words and actions, will constantly receive from him the most favourable construction.

His Excellency the Governor General was then pleased to open the Session by a Gracious Speech to both Houses, as follows:—

*Honourable Members of the Senate:*

*Members of the House of Commons:*

I meet you under the shadow of the loss which Canada, in common with all parts of the Empire, has sustained in the death of our late beloved Sovereign, King George V. The sorrow so universally expressed is but one of the many evidences of the great regard in which his late Majesty was held by all men and nations. In no part of the King's dominions has the sense of national and personal loss been more deeply felt than in Canada. King George's patience and wisdom, his example of courage and devotion to duty, throughout a reign of unparalleled anxieties, will be held in all our memories as a great heritage.

I join with you in extending profound sympathy in their bereavement to King Edward VIII, Her Majesty Queen Mary, and all the members of the Royal Family. Toward the new King, there already exists, on the part of the people of Canada, a feeling of personal attachment and affection, occasioned by His Majesty's visits to this country, and the many friendships and wide acquaintances formed during the years he was known to us all as the Prince of Wales. To these sentiments will now be added in increasing measure those of loyalty and devotion.

I am profoundly sensible of the great honour of having been chosen as the King's representative in Canada. I am pleased that my meeting with the Members of both Houses should be at the beginning of the first session of the Eighteenth Parliament. It is with the greatest pleasure that I look forward to the associations of the next few years.

The seriousness of the international situation has contributed to the world's anxieties. My ministers are confident that they express the conviction of the people of Canada in adhering to the aims and ideals of the League of Nations, and in seeking, in unison with members of the League as well as with other nations, to support by all appropriate and practical means the maintenance of peace, and the establishment of a world order based on justice and equity.

Unemployment continues to be Canada's most urgent national problem. While there is an increase in the number of persons employed, the number of those on relief shows no abatement.

As a means of dealing with present emergency conditions, you will be asked, with the approval of the governments of all the provinces of Canada, to make provision for the establishment of a representative national commission, which will co-operate with the provinces and municipalities in an endeavour to provide work for the unemployed, and in the supervision of unemployment relief. The commission, which will be assisted by a representative advisory committee, will aim at effecting nation-wide co-operative effort toward increasing opportunities of gainful employment.

Transfer of the camps established for the care of single homeless men from the Department of National Defence to the Department of Labour, is in process of being effected. Every effort will be made to close the camps altogether at as early a date as expanding employment opportunities permit.

A royal commission has been appointed to inquire into conditions in the textile industry, as the result of the closing down on January 18th of one of the textile plants in the city of Sherbrooke, thereby occasioning, in midwinter, and at a time of unemployment, great hardship to hundreds of employees and their families. My ministers are of the opinion that industries should recognize an obligation to co-operate in every manner possible in continuing and providing employment, and that Labour and consumers have a right to have their voice heard, and influence felt, in the control of industrial policy. Where these ends cannot be effected through voluntary co-operation of all parties to industry, my ministers are of the opinion that there are the strongest reasons for State intervention.

With a view to safeguarding the interests of consumers a full inquiry will be instituted into representations which continue to be made respecting monopolistic control of the importation and distribution of anthracite coal.

In order to determine the question of their validity, reference has been made to the Supreme Court of Canada of a number of measures enacted at the last session of parliament.

I am happy to be able to inform you that a trade agreement between Canada and the United States of America was concluded on Armistice Day, 1935, and that the trade dispute with Japan, which had seriously affected the trade of both countries, was adjusted before the end of the old year.

The Canada-United States Trade Agreement will be submitted for your approval. You will also be forthwith advised of the basis on which normal trade relations between Canada and Japan have been restored.

My ministers believe that the Canada-United States agreement will mark a great improvement in Canada's international economic relations; also, that the principles embodied in this agreement, extended and applied with vigour and determination, will contribute to the reversal of the trend toward extreme economic nationalism, which has been undermining standards of living, and embittering relations between countries all over the world.

You will be pleased to know that the policy of the Canadian Wheat Board in selling wheat at competitive prices is bringing satisfactory results.

A conference between the Dominion Government and the governments of the provinces of Canada was held at Ottawa during the month of December. Continuing committees have since carried on consideration of the more important subjects discussed.

Among matters arising out of the Conference, which will be submitted for your consideration, will be a proposal for amending the British North America Act, 1867, in order to provide for certain financial arrangements between the

Dominion and the Provinces. A committee of Dominion and Provincial representatives, appointed by the Dominion-Provincial Conference, is engaged in the consideration of a method and procedure for effecting constitutional amendments.

It is proposed to restore to Parliament its control over taxation and expenditure by ending all measures which have deprived members of the House of Commons of this control, and which have served to invest the Executive with unwarranted arbitrary powers.

Every effort will be made to substitute stability for uncertainty in the administration of customs laws.

The control of credit, and the issue of currency, being public matters of direct concern to every citizen, it is intended, at the present session, to ask Parliament to make such changes in the ownership and control of the Bank of Canada, as may be necessary to give to the government a predominant interest in the ownership as well as effective control of the Bank.

You will be asked to consider amendments to existing legislation respecting the Canadian National Railways, which will serve to afford a greater measure of governmental authority and responsibility to Parliament.

It is proposed to make the present position of radio broadcasting in Canada the subject of inquiry by a special committee of the House of Commons.

Steps have already been taken with respect to the reorganization and consolidation of government services, which it is believed will further their efficiency and effect much needed economies. These will be supplemented by legislative measures to which your attention will be invited.

A reduction from twenty-one to sixteen has been made in the number of Ministers of the Crown.

A Bill to provide for the creation of parliamentary secretaryships will be submitted for your consideration.

*Members of the House of Commons:*

The Public Accounts of the fiscal year and the Estimates for the coming year will be submitted for your consideration.

*Honourable Members of the Senate:*

*Members of the House of Commons:*

In inviting your careful consideration to the important matters which will engage your attention, I pray that Divine Providence may guide and bless your deliberations.

The Commons withdrew.

His Excellency the Governor General was pleased to retire.

The Senate was resumed.

The Honourable Senator Dandurand presented to the Senate a Bill intitled: "An Act relating to Railways."

The said Bill was read the first time.