

FREE WHEAT, WHEAT FLOUR, AND SEMOLINA.

The following is a copy of the Order in Council passed on April 10th 1917, granting Free Wheat, Wheat Flour and Semolina.

His Excellency
The Governor General in Council.—

Whereas the Minister of Finance reports that certain conditions arising out of the War seriously affect prices obtainable in Canada for wheat, especially of the lower grades;

And whereas in normal times there exists a good commercial export demand for milling purposes from Great Britain and the Continent for wheat of all grades;

And whereas this demand has for some time past almost entirely ceased on account of shortage of ocean shipping (due to submarine warfare), practically all available tonnage being required to transport grain of the higher grades and flour made therefrom, purchased in Canada and the United States by the British and Allied Governments for their respective needs;

And whereas in consequence of this condition much Canadian wheat is being exported to the United States market for sale there, notwithstanding the customs duty payable thereon under the provisions of the United States tariff;

And whereas from enquiries recently made from the Board of Grain Commissioners for Canada and other authentic sources the Minister of Finance is satisfied that the prices now prevailing in Canada for wheat, particularly of the lower grades, are, owing to the cause above mentioned, much lower than the prices obtaining therefor in the United States; in fact there are strong grounds for the belief that advantage is being taken of the situation to maintain prices of the said grades at figures lower than are warranted by general market conditions, and from information at hand it appears that there still remains a large amount of last year's Canadian Crop unmarketed;

And whereas it is desirable at a time when a special appeal is being made for increased agricultural production to supply grain and food stuffs to Great Britain and her Allies, which now include the United States of America, that the Canadian farmer should feel that he will obtain the best market prices obtainable for the product of his industry;

And whereas the Minister of Finance is of opinion that it is in the circumstances advisable that such action should be taken which will give to Canadian wheat free access to the markets of the United States in lieu of the commercial markets of Great Britain and on the European continent formerly available under the conditions then existing, and, with this object in view, he directs the attention of His Excellency to certain provisions of the Customs Tariff of the United States. By item 664 thereof, wheat, wheat flour, semolina, and other wheat products, shall be entered free of duty from countries which do not impose a duty on wheat or wheat flour or semolina imported from the United States; otherwise the duty upon wheat is fixed at ten cents per bushel and upon wheat flour at forty-five cents per barrel and upon semolina and other products of wheat ten per centum ad valorem;

And whereas if Canada should place wheat, wheat flour and semolina upon the free list our wheat and wheat products would gain free entry to the markets of the United States.

And whereas it is desirable in the national interest that, for the reasons stated above, free access should be obtained to the markets of the United States for Canada's wheat.

Therefore His Excellency the Governor General in Council, under the authority of the War Measures Act, 1914, Section 6, is pleased to order and it is hereby ordered that wheat, wheat flour and semolina be transferred to the list of goods which may be imported into Canada free of duty of Customs.

(Sgd.) Rudolphe Boudreau,
Clerk of the Privy Council.

Free Wheat—a Temporary Expedient.

WHY the Borden Government placed wheat, wheat flour and semolina on the free list by Order-in-Council under the War Measures Act, instead of by an Act of Parliament will doubtless long remain a mystery. The Order-in-Council placing these articles on the free list was passed exactly 72 hours before Parliament reassembled, on April 16th. In fact Parliament was in adjournment only when this Order-in-Council was passed. Surely after waiting for six years, a further delay of 72 hours would not have seriously affected the country and then wheat, wheat flour and semolina could have been placed permanently upon the free list by an Act of Parliament instead of temporarily by an Order-in-Council under the War Measures Act. Therefore some cause other than has been given must be the reason why this action was taken by Order-in-Council instead of by an Act of Parliament.

Government not Sure.

That the members of the Government themselves had doubts as to the permanency of their action is proven by the fact that immediately after passing the Order-in-Council they requested the Deputy Minister of Justice to give a legal opinion as to whether the placing of wheat, wheat flour and semolina on the free list by Order-in-Council was of the same effect as by statute. The following is the opinion of the Deputy Minister of Justice above referred to.

I have considered upon your suggestion the effect of the Order-in-Council of 16th instant, whereby His Excellency the Governor General in Council directed under the authority of the War Measures Act, 1914, that wheat, wheat flour, and semolina should be transferred to the list of goods which may be imported into Canada free of duty of customs.

Section 6 of the War Measures Act 1914 confers upon the Governor in Council very comprehensive powers to make such orders and regulations as he may by reason of the war deem advisable for the peace, order and welfare of Canada, and for greater certainty, but not so as to restrict, it is declared, that these powers extend to all matters coming within certain classes of subjects specially mentioned, among others, "trade, exportation, importation, production, and manufacture." It is provided, moreover, that all such orders and regulations shall have the force of law.

This section has always been interpreted and acted upon as intended to confer legislative powers, and I am of opinion that that intention is expressed with a sufficient aptitude, and that therefore the legislative powers of Parliament, within the purview of the section, have been delegated to the Governor in Council. Moreover, having regard to the narrative of the Order in Council, the power executed in the sanctioning of the Order in Council, appears to fall very clearly, not only within the general description of powers, but also within the special enumeration to which I have referred. Therefore I am of opinion that the Order in Council became effective as from its date permanently to remove the duty imposed by the customs tariff from wheat, wheat flour,