

"has been this. They have made their orders from an early date, through the Canadian Government, treating the Canadian Government, in fact, as their agents for the supply of munitions of war. Any requirements from the War Office here are communicated by letter or telegram to the Canadian Government, or rather, to the Minister of Militia there. This officer constituted quite early in the day the Shells Committee to which the noble Lord referred. That is a body presided over by a gentleman whose name is mentioned, a General Bertram, and upon it are representatives of the various manufacturing interests in the Dominion, and the function of the committee is to advise the minister as to the contracts which, on behalf of the Imperial Government, he shall conclude. All applications are made to him. They go before the committee, who examine and adjudicate between the claims or the different parties; then the contract is concluded over there, and finally the Canadian Government assume the responsibility of inspecting the munitions for us when they have been produced."

"Is it not perfectly clear that it is an abuse of words to tell us to-day that the Shell Committee was responsible simply to the Imperial authorities. The Imperial authorities tell us, by the words of Lord Curzon, that the Imperial authorities did not know the Shell Committee—that the only party they knew was the Minister of Militia, and it was with him that they transacted the business."

CANADA PAYS HER SHARE FOR MUNITIONS.

"My hon. friend from St. John (Mr. Pugsley) asked the hon. Minister of Finance, during the course of the debate on the Address, the following question:

That means, of course, all the ammunition, all the guns, all the boots and shoes, and all the clothing used by the Canadian soldiers at the front?

Sir Thomas White: Our understanding is that

the Canadian Government will pay all, but that an adjustment is necessary and will have to take place later.

Here we have conclusive evidence that in this matter we have to look to the Canadian Government and the Canadian Government, of course, is responsible to the people. We have the facts clearly established that the Shell Committee was appointed by the Canadian Government, that it acted under the Minister of Militia, that it reported to the Department of Militia and Defence, that the Minister of Militia had the calling of it whenever he chose, and that it is the money of the Canadian people that is used to pay for the shells ordered by the committee. We have it also in evidence that the Minister of Militia was the author of the committee."

MEMBERS OF THE SHELL COMMITTEE WERE SELLERS AND PURCHASERS.

"Who were selected as members of the committee? They were manufacturers actually engaged in business. It would have been the part of wisdom to have done then, what was done later on in the formation of the committee; that is, to select men who were not engaged in that line of business. But I have to charge against this Government, that every one of the members of this committee was a manufacturer actually engaged in the business of manufacturing shells for the Government. The incongruity of the thing is apparent to everybody. General Bertram was a member of the committee, Mr. Carnegie was a member of the committee, Mr. Watts was a member of the committee, and we find these gentlemen contracting with themselves both as sellers and purchasers; or rather not themselves personally but with their firms which were engaged in the making of shells. As for one of them, if he was not actually connected with the manufacture of shells, he was connected with the Nova Scotia Steel Company, which supplied steel and iron."

GOVERNMENT FINANCE.

| | Month of February, 1915. | Total, 11 Months to 28th Feb., 1915. | Month of February, 1916. | Total, 11 Months to 29th Feb., 1916. |
|--|--------------------------------|--|--------------------------------|--|
| REVENUE: | \$ cts. | \$ cts. | \$ cts. | \$ cts. |
| Customs..... | 6,805,683 53 | 68,412,839 85 | 8,979,079 62 | 87,975,980 93 |
| Excise..... | 2,003,862 33 | 19,859,030 70 | 1,905,478 18 | 20,109,148 44 |
| Post Office..... | 1,025,000 00 | 11,596,215 99 | 1,500,000 00 | 15,671,339 91 |
| Public Works, including Railways and Canals..... | 702,030 57 | 11,841,767 91 | 614,214 83 | 20,013,312 65 |
| Miscellaneous..... | -13,231 72 | 8,347,097 74 | 1,800,123 56 | 10,579,027 54 |
| Total..... | 10,523,344 71 | 120,056,952 19 | 14,798,896 19 | 154,348,809 47 |
| EXPENDITURE, Ordinary..... | 7,644,331 52 | 109,600,697 72 | 8,588,237 63 | 98,807,910 52 |
| Expenditure, Capital Account | | | | |
| War..... | 7,158,186 42 | 38,079,429 01 | 12,631,656 84 | 110,618,343 50 |
| Public Works account..... | 1,554,416 34 | 34,331,850 71 | 3,179,028 04 | 31,313,978 63 |
| Railway Subsidies..... | 654,348 75 | 4,630,273 69 | 182,260 71 | 1,400,171 42 |
| Total..... | 9,366,951 51 | 77,041,553 41 | 15,992,945 59 | 143,332,493 55 |