

notes against which the Department will advance money will have to have definite dates, independent of the advance which is made by the Finance Department under clause 6, dealing with "term of advances and interest," that is, advances made by the Department of Finance against notes, drafts, etc.

Hon. Mr. FOWLER: Exactly. I understand.

Hon. Mr. DANDURAND: The Department will advance for a year, but it takes securities that may be of different terms and may mature before the twelve months.

Hon. Mr. FOWLER: May, of course. Why confine it to notes that do mature before the maturity of the document?

Hon. Mr. DANDURAND: But clause 5 does not go that far. It says:

All promissory notes or bills of exchange when pledged pursuant to this Act shall have a maturity, exclusive of days of grace, not later than six months from the time at which they are pledged.

Hon. Mr. FOWLER: But the note for which they are given as collateral security has an extent of twelve months.

Hon. Mr. DANDURAND: No; it is the advance by the Department of Finance that must not go beyond twelve months.

Hon. Mr. FOWLER: That is the advance I am thinking of. I suppose that advance is covered by a note, and these notes and goods are put in as collateral. Why should not the notes put in as collateral have the same length of time to run as the document that covers the loan? Or why should they not go that far if necessary?

Hon. Mr. GORDON: May I inform my honourable friend that he will find that banks very seldom have notes of even six months duration, and the chances are that most of them are for three months or under. So they could not possibly give over notes of that long term. They can give only what they have.

Hon. Mr. FOWLER: After the very lucid explanation given by my honourable friend the legal gentleman from North Bay, I will say no more, if he cannot understand what I have tried to make clear.

Hon. Mr. GORDON: In reply to my legal friend from Sussex, or from Ottawa, may I say I was only endeavouring to do my duty in setting him right, he seemed to be so badly mixed up.

Hon. Mr. FOWLER: He is not mixed up. Section 5 was agreed to.

Sections 6 to 15, inclusive, were agreed to. The preamble and the title were agreed to. The Bill was reported without amendment.

### THIRD READING

Hon. Mr. DANDURAND moved the third reading of the Bill.

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

## COPPER BOUNTIES BILL

### SECOND READING

Hon. Mr. DANDURAND moved the second reading of Bill 189, an Act respecting the Payment of Bounties on Copper Bars or Rods.

He said: Honourable gentlemen, what I have to offer in explanation of this Bill is the illuminating explanation given by the Minister of Finance himself.

Hon. Sir JAMES LOUGHEED: Is the illumination a bright and shining light?

Hon. Mr. DANDURAND: I think it is. The right honourable member from Ottawa (Right Hon. Sir George E. Foster) asked me for an explanation of this Bill. The Minister of Finance says:

We have been asked from time to time to do something to encourage industries of various kinds. Where these applications take the form of a request for higher duties, the problem is not an easy one. One of the difficulties of such a situation is that there are many items in the tariff which cannot stand alone for consideration; they are closely related to one another. The article which is the finished product of one man is practically the raw material of another, perhaps of several others. If you increase duties to assist the first man, you disturb the whole scale and all the others will expect compensatory increases.

Of course, I am not giving that information to my right honourable friend, for he has heard that statement before.

Industrial aid of this kind naturally meets with widespread objection. There is another form in which it may be possible to assist industry without the disturbing results I have mentioned. The granting of a bounty simplifies the case. Many people, willing to see industry aided, would prefer the bounty rather than protective duties, especially if the bounty be of a temporary character and placed on a sliding scale. One merit of the bounty system is that you know precisely what you are paying and can compare the cost with the results. We have given careful consideration to requests made to us on behalf of the copper interests of Canada. Canada is a copper-producing country. Our for western province, British Columbia, is rich in this respect. Yet the copper industry has made but moderate progress. There is a duty of 1½ cents per pound on copper in the form of ingots. A very large enterprise has been established in British Columbia which is encouraged by this duty. The next stage of the copper