

the case of the South African war, we are liable to find different funds created in different municipalities, or different communities, where the people feel that they would prefer to look after the local situation. In so far only as they voluntarily contribute to this fund will the fund be administered by one central corporation. I think we will all agree that it is extremely important that one central organization ought to control the entire fund. There will necessarily be subcommittees in the different provinces, and in different cities, which this law will make provision for. So that while the fund will be administered by a central body, the actual detailed work of this organization will be done by committees appointed in the various cities, towns, municipalities and provinces, and these are all linked with the scheme because of the fact that the lieutenant governors and premiers of all the provinces are made members of the central organization for the administration of the fund, and it is important that the outlying provinces understand that local committees there will be created under this Act for taking care locally of the work in the different parts of the country. If we are to have a plan that will work out satisfactorily that will insure a proper dealing with this fund and dealing with it along similar lines from ocean to ocean, it is clearly necessary, to my mind, that it should be under one central organization, with representatives from the different provinces. It will therefore help the situation if the members carry away with them the thought that, while his Bill has been put through, it does not control the fund; it is entirely voluntary, as I said before, on the part of all those contributing whether they will put their money into this fund or contribute otherwise. The explanation made in this Chamber, and the explanation made in the various provinces in the country, will be materially helpful in giving information and bringing about a condition which is so much desired. Already energetic efforts are being made to collect money for the purposes for which this measure is enacted, but in the meantime the organizations that are at work along local lines are not at all merged into this. It is hoped and expected, and I believe it will be, that when it is properly understood they will merge their funds into this central organization and general good will be brought about; but there is a condition to which we need to be alive if we

are to create a situation that will be most helpful. We will have in this legislation the enabling power and the continuity of conditions that are inevitably necessary for a situation such as is being created. It is to be greatly hoped that the entire subscriptions from all associations of any kind whatever will merge into that central one, having in mind the knowledge that it is not going to be controlled by one centre, but by all the associations throughout Canada on lines fair to every family that requires assistance. They will receive on the same lines and conditions in every part of the Dominion.

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

THE FINANCE ACT, 1914.

Hon. Mr. LOUGHEED moved that the House adjourn during pleasure.

Hon. Mr. KERR—I want to ask a question about Bill No. 4, 'An Act to Conserve the Commercial and Financial Interests of Canada.' My question has reference to clause No. 4 of the Bill, and subclause 'a.' That part reads as follows:

4. In case of war, invasion, riot or insurrection, real or apprehended, and in case of any real or apprehended financial crisis, the Governor in Council may, by proclamation published in the Canada Gazette,—

(a) authorize the making of advances to the chartered banks and to the savings banks to which the Quebec Savings Banks Act, 1913, applies, by the issue of Dominion notes upon the pledge of securities, deposited with the minister, of such kind and amount as may be approved by the Treasury Board; such advances to be repayable at such times as the Board may determine with interest at a rate likewise determined by the Board of not less than five per cent per annum.

My attention has been called to observations made in the House of Commons by the Minister of Finance with reference to this clause, and it is with a view to making an inquiry that I am calling attention to this matter. On page 68 of the Commons 'Hansard,' I find a question asked by Mr. McLean, and a reply by the minister. After referring to the fact that war had broken out, the minister said:

In order that I might be in touch with events in the financial and commercial world, I caused to be convened a meeting of representative bankers to keep me in touch with the situation. After we passed the Order in Council under which the banks were authorized to make use of their excess circulation privilege during the month of August, and to make payments in bank notes, and after we had passed a further