

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Willoughby, the Senate went into Committee on the Bill.

Hon. Mr. Daniel in the Chair.

On section 1—short title:

Hon. Mr. WILLOUGHBY: Yesterday I was unable to answer a question asked about another harbour. I have the officer of the department here now, and if there is any question in reference to the expenditure on the Saint John harbour I can get the information.

Hon. Mr. BELCOURT: May I ask the same question that I put yesterday in regard to the harbour at Three Rivers, and inquire to what extent the Saint John harbour has met its obligations?

Hon. Mr. WILLOUGHBY: As is the case at Three Rivers, the interest on the construction work is charged to capital account. The interest on the original acquisition of the harbour is charged in the ordinary way to revenue account.

Section 1 was agreed to.

On section 2—loan of \$10,000,000 to Harbour Commissioners:

Hon. Mr. BELCOURT: I take it that the provisions of this Bill are the same as those of the three or four other harbour Bills that have recently been before us.

Hon. Mr. WILLOUGHBY: Practically the same. It is the standard form.

Section 2 was agreed to.

Sections 3 to 7, inclusive, the preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

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

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

DAIRY INDUSTRY BILL

SECOND READING

Hon. Mr. POPE moved the second reading of Bill 16, an Act to amend the Dairy Industry Act (Increase of Penalties).

Hon. Mr. BELCOURT: Explain.

Hon. Mr. POPE: It is only to increase the fines for violations of the Dairy Act. There is an increase from \$500 to \$1,000, and from \$200 to \$500.

Hon. Mr. FOSTER.

Hon. Mr. BELCOURT: What is the reason?

Hon. Mr. POPE: Because inferior butter is being sold everywhere. When the New Zealand butter came in here it did not carry 3 per cent of water, but when it was sold to us it carried 16 per cent.

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

THIRD READING

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

Hon. Mr. DANDURAND: It is obvious to every member of the Senate that I am not qualified to speak on a matter like the one submitted by the honourable member from Bedford (Hon. Mr. Pope). I must rely, therefore, upon the knowledge and experience of members of the Senate who are more familiar with the subject than I am. I take it for granted that all the members of the Senate who have the experience to enable them to judge are agreeable to this proposal.

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

SPECIAL WAR REVENUE BILL

SECOND READING

Hon. Mr. WILLOUGHBY moved the second reading of Bill 106, an Act to amend the Special War Revenue Act.

Hon. Mr. McMEANS: What is it all about?

Hon. Mr. WILLOUGHBY: More taxes. That is all.

Right Hon. Mr. GRAHAM: Could we have a brief explanation?

Hon. Mr. ROBERTSON: Special Revenue Acts have not been altogether unknown in years gone by. This Bill amends the existing law in some respect. Without entering into the reasons, I may say that the Bill provides, as is well known, for a three-cent rate on certain letters. It also provides for a stamp tax on cheques for amounts in excess of \$5, and for a tax on certain insurance premiums, particularly those remitted to companies outside of Canada. Because of falling revenues the general sales tax, with which everyone is familiar, is increased from 1 per cent to 4 per cent. That tax has fluctuated from year to year, sometimes upward and sometimes downward, according to the need. It has been as high as 6 per cent. It is now fixed at 4 per cent.