

THE DEBATE ON COMPENSATION

ON THE 25th FEBRUARY, IN

THE HOUSE OF COMMONS.

Mr. KRAZ, M.P., for North Riding of Waterloo, moved for a Committee of the whole to consider the following resolution:—

"That it is expedient whenever Parliament decides that a law prohibiting the importation, manufacture, and sale of intoxicating liquor for beverage purposes should be enacted, that equitable provision should be made for the compensation of brewers, distillers, and maltsters, so far as respects the diminution in the value of the real property, premises, and plant owned and used by them in their business."

Mr. FISHER, M.P., for Bromo, moved in amendment:—

That all after the word "that" be struck out, and the following be inserted in its stead: "That the time when Parliament proceeds to discuss the details of a law prohibiting the manufacture, importation and sale of intoxicating liquors for beverage purposes, will be the proper occasion on which to discuss the question of compensation to the manufacturers of such liquors as may come under the operation of such a law."

The following is the principal portion of the speeches of Prof. Foster, M. P., for Kings, N.B., and others, on the question thus brought before the House:—

Mr. FOSTER said. What is this resolution? It is nothing more or less than an attempt, in a time when there is a want of knowledge on the subject, in a time of prejudice, to bind the hands of the future by a resolution contingent on something else happening. And if I mistake not, although this resolution may have within its scope the compensation of brewers and distillers, it will have the effect—whether this is its motive or not—it will have this consequence: It will raise up a sum of money anywhere from \$12,000,000, which has been spoken of by my hon. friend as the capital invested in the brewing business to-day, up to \$30,000,000 or \$40,000,000—it will raise that sum up as the probable sum which the people of this country will invite to fall upon their shoulders, and be laid as a burden on their backs if they pass a prohibitory law. Sir, I do not think it is the usual course for a parliamentary or deliberative assembly to proceed in that way.

Then, again, I think this resolution, as my friend on the other side has stated, is premature. Has it been discussed in the country? It may be said that the prohibition resolution last year was premature. But, I reply, there is a great difference. That question has been before the country for fifty years, it has been steadily marching forward towards its solution. Every year it has been increasing in strength. Every year the influences behind it have been augmented. This question has permeated every nook and corner of the land; it has gone into the centre of every constituency, it has been talked of at every fireside, and this Parliament last year, or any year within the last fifteen years, has had the data at hand to give a vote on that principle, feeling certain that those who voted upon it would represent the aggregate feeling of their constituents. But where has this question of compensation been argued? In what constituency, in what nook or corner has it been raised? Is there a single representative here who can say: I can vote for this question, for or against, feeling that I know what the sentiments of my constituents are, and that by my vote I am representing them here.

(An hon. MEMBER. Yes.)

The hon. gentleman says he can. He then is one of the favored few, but I think the large majority of this House will feel that they cannot. Well, Sir, following that out, I do not think this House is in the position, in its representative capacity, to decide this question for or against compensation; because, whether this House does possess the knowledge of its constituencies far enough and wide enough to make a fair decision in this matter—even if they do not, yet the opinion will go out from this House, if it be taken in the affirmative or negative, the opinion will go out, that this Parliament of Canada, representing the people of Canada, would make this decision, when I hold that that would not be the case, but that it will be the gentlemen who are sitting in the Parliament of Canada, who have expressed their collective or aggregate opinion on this question.

Do not imagine that I wish to say that we should not discuss manfully and fairly and squarely the whole issue, and nothing else. I think we should; but I think we should reserve our opinion as a solemn declaration until we find out where our constituents are on this question. At least, that is my private opinion, guiding my own conduct and speaking for myself. Has this question come up on the ground of petition? Has there been a single petition put before Parliament asking that compensation should be given to the brewers and distillers and maltsters? Is there one from all this country—from the Island of Cape Breton to the Pacific ocean? Can there be produced on the Table of the House a single petition coming from the people asking that compensation be granted? I think not. And we are a representative body; we represent the people in this House. This is a large matter, involving at least \$12,000,000, according to what my hon. friend, the mover of this resolution, has stated to be the capital employed in breweries and distilleries. I say that, under the circumstance, as no voice of the people has asked for this action, it is too great a burden for us to resolve should be placed on them without consulting our constituents. It may be stated that a deputation which came to this city not many days ago, presented to the Government a memorial in which they claimed compensation. That may be; but it was not the compensation which is claimed in this resolution. That deputation, if I understood their memorial aright, asked for compensation for the license victualers, for the coopers, for the employees, and for the cigar manufacturers. This, then, is not their resolution; it is not founded on their presentment of the case. This is somebody else's resolution, and is founded upon somebody else's presentment of the case, because the brewers and distillers are the only people included in it. Then I

say that from the sovereign people of the country, in the exercise of their right of petition, there has not come a single voice to this Parliament asking that compensation shall be granted. So much, Sir, with reference to that point.

But this resolution is also, to my mind, one which we ought not to take into consideration, so far as to decide in favor of it, for another reason, and that is this: It is a resolution which, besides embodying something which has not been asked for by the people, besides tying the hands of the people in the way I have stated, is one which is not backed up by that amount of argument necessary to show that the necessity for it exists. I may just refer, in passing, to the kind of argument with which this demand is sometimes backed up. For instance, I think the only financial argument which was used by the deputation which came to Ottawa a few days ago the only argument which condescended to figures, was that used by the cigar manufacturers. Hon. gentlemen who have read their memorial will remember that the cigar manufacturers started out by arguing that they should have compensation on the ground that the Scott Act was injuring them; and they showed, from official records, a diminution of \$449,000 in the amount paid by the cigar manufacturers into the Dominion revenue in 1884, as compared with 1883; and then, by that strange sort of argument which so often prevails, they stated that this diminution was due to the operation of the Scott Act in the different counties. Now, Sir, examine that argument. When we come to look at the returns of the Minister of Inland Revenue, we find that last year the duty on tobacco was reduced from 20 cents to 12 cents on the pound. The Minister calculated that some \$800,000 would be lost to the revenue in consequence of that decrease; but he states in his report that, instead of \$800,000 being the decrease, the decrease was \$449,000. Now, you see what kind of an argument that was. The Minister of Inland Revenue says that the diminution is due to the decrease in the duty; but the memorialists, in order to use it as an argument to show why compensation should be granted to them, say it is due to the effect of the Scott Act on the cigar trade. This is an instance of the curious kind of *non sequitur* argument which is used in favor of compensation.

Well, Sir, I am glad this resolution has been brought forward, for other reasons. I am glad, because it shows that the finality is somewhat near, that the end is approaching, and that there is a feeling not only widespread among the people that prohibition ought to be established, but that there is a feeling amongst those likely to be affected by it financially that it is coming, and that it is an event that ought to be provided for. What does this resolution affirm? It affirms that these petitioners have no legal ground on which to base the continuance of their traffic,—that they have no legal ground on which to ask for compensation. If they had in the constitution of the country, or in the laws of the country, any such ground, they would not be approaching Parliament to-day by a resolution asking that measures should be taken to give them that compensation. They have also abandoned the ground that they are able to go before the country and argue, on the ground of right, that their traffic shall be maintained and their trade carried on. They distrust the people in regard to that; and they come to Parliament and ask that a compensatory resolution should be passed by this House.

It being six o'clock, the Speaker left the chair.

When the debate was resumed, Mr. FOSTER proceeded as follows:—

In the remarks which I was addressing to the House yesterday I was endeavoring to give some reasons why I did not regret the introduction of this resolution, and also some reasons why I should very much regret its passage. I stated, if you will remember, that I did not regret the introduction of the resolution, because it was an admission of the strength of the Prohibition sentiment outside of this House,—an admission from those to whom the movement is opposed; that, in the second place, it was an admission that, on grounds constitutional and legal, the traffic had no hope of continued existence, or of compensation in the event of its existence being destroyed. I also said that I was glad the matter had been brought up for discussion in the House, as it was a question of very great importance to the country, and one upon which the mind of the country had not yet been very much exercised. When I had stated these reasons, I had stated all the reasons I had for not regretting that the resolution was introduced; but against the passage of the resolution there were several reasons which I urged. One was the unusual character of the resolution itself; the other was, that I thought an expression of opinion by this House—binding, as it would to some extent, the country; standing, as it would to some extent, for an expression of opinion of the country—would be premature, because the question had not been sufficiently discussed to allow us to get at what would probably be the sentiment of the country upon it. I also stated that I would be sorry to see it pass, because it was not based upon any popular demand,—because there was not a single public deputation, nor a single petition sent in from the country, upon which to base this demand for compensation to the brewers and distillers. I may state, in addition, that the resolution is not a logical one, because it is of a kind that we may call a class resolution. Heretofore the contention has been by the brewers and distillers that their business did not stand alone, but that other great interests were dependent upon it; that by its destruction other great correlative industries would suffer to a large extent; and if any plea has gone forth through the country as to why the brewing and distilling business should not be interfered with, it has heretofore been the plea that the destruction of other interests would be involved in the destruction of the brewing and distilling interest. But, in the face of all that, we find this resolution introduced into this House, and an attempt made to get the authoritative decision of this Parliament—upon what? Upon a proposition which includes but one hundred and thirty men in the Dominion,—a proposition which includes but the brewers and distillers nominally, which leaves entirely out of sight all those correlative