

The PRIME MINISTER. That is not the point of view at all. The point of view is whether, if the banks had not that power, the facilities for lending or borrowing money would be increased or decreased.

Mr. WALLACE. My opinion is, that where you have close corporations banding themselves together and fixing the rate of interest, and preventing other banks being established, because that is the practical effect of our legislation, you have conditions which interfere with the freedom of trade in that regard, and inevitably raise the rate of interest. I object as one of the payers of interest. Those millionaires across there, like the Minister of Marine, may think this is all right; but I do not. I represent more people than he does in that regard, at any rate. The borrowers are much more numerous than the lenders, and we borrowers want our rights protected and the rate of interest kept down to the lowest notch, which it will not be under the conditions of this Bill, which from start to finish bears the impress of having the combined support of the bankers of this country. I say that that looks a suspicious circumstance and one that we should look more carefully into. The Finance Minister himself should be able to come before this House and say in this Bill: We are giving more rights to the people, we have restricted the power of the banks where it was necessary in the interests of the people, but you cannot point out to a single line where that is being done in the present Bill.

Amendment (Mr. Rosamond) negatived.

Bill read the third time, and passed.

#### SUPPLY—THE JOHN C. BARR.

The MINISTER OF FINANCE (Mr. Fielding) moved that the House again resolve itself into Committee of Supply.

Sir CHARLES HIBBERT TUPPER (Pictou). I have once or twice, Mr. Speaker, referred to the precedents laid down by this government—almost before it got into office, and at any rate, just as soon as it obtained the reins of power—in connection with procedure where there was suspicion of fraud. To be precise, I refer to the letter of Mr. Sifton on July 17, 1896, when he wrote to the Prime Minister (Sir Wilfrid Laurier), that the result of the late elections in some of the constituencies in Manitoba indicated to him that a fraud of some kind had been perpetrated in the interests of the government candidate. He went on to say what he had done, and then asked for help, and the Prime Minister, on the 24th July, promptly assured him that all the funds necessary to unearth these frauds would be forthcoming.

To come down quickly to a more recent date, I would refer to the pledge which the

Prime Minister gave last session, on June 29, 1899, when he said:

We must probe these Yukon delinquencies, so called, to the bottom. No officer of the government must be allowed to rest under any suspicion.

With that introduction, I come to the case of the *John C. Barr*, a case that was prominently brought to the notice of the government on many occasions in the last session, not merely by myself on several occasions, before the formal resolution that I moved, and the formal charge I made, but also brought to their attention by the hon. member for New Westminster (Mr. Morrison), also through correspondence addressed to the Department of Marine and Fisheries and the Customs Department, and also by the firm of Belcourt & McDougal, a firm of barristers and solicitors practicing in Dawson City, and of which the senior member is one of the members for Ottawa supporting the government in this House. These charges were pressed in detail; they were not merely general statements emanating from a particular party in the heat of debate, but were pressed in a more serious form.

The charge that I made was coupled also with the very serious statement and charge that the Minister of the Interior (Mr. Sifton) had shown great partiality and favouritism to a foreign trading company in Dawson, the North American Trading and Transportation Company, and in connection with that I charge favouritism shown in the permitting, if not directly, the violation of the laws relating to merchant shipping and the violation of the customs laws, for the benefit of that corporation or company.

In this connection I would call attention to the provisions of the law. In the Merchants Shipping Act of 1894, provisions are made respecting a very serious offence—and an offence that the government alone can deal with—namely, where an abuse is made of the flag, where by false declarations of ownership a foreign vessel is enabled to obtain a British register and to fly the British flag. That is so serious an offence that it is punished by confiscation of the vessel and other very serious penalties. Powers are given, of course, to naval officers, but specially given to the collectors and other officers of customs in the different ports, to take these vessels and impose upon them the consequences, the obtaining of a decree of forfeiture. The mere act of obtaining in this improper way the benefit of the British flag ipso facto forfeits the vessel to the Crown. In such a case, no private individual can do more than lay before the qualified officer the information which he has, and it then becomes the duty of the government to sift the charge to the bottom.

In connection with the Customs Act—the Minister of Customs will correct me if I