

revenue through the various ports I have named. It may be added that under the bounties system \$500,000,000 worth of iron and steel products were manufactured in Canada, half the cost of which was paid in wages, Canada getting \$30 for every dollar paid in bounties. If that were an investment it would be hard to find a better one.

As to the importance of this company, I would like to read a short extract from the record of the public sitting of the Advisory Board on Tariff and Taxation, November 27, 28, and 29, 1928:

The combined industries as represented by the British Empire Steel Corporation employed during 1927 an average of 20,124 workers, drawing \$24,400,000 in wages and salaries. Workers numbering 18,000 were employed in Nova Scotia and received wages and salaries to the amount of \$22,200,000. It has been estimated on this basis that about a sixth of the population of Nova Scotia was directly dependent on steel and coal industries of that Province in addition to the large number who directly derive their livelihood from these industries.

At a time when the Progressives were all-powerful in another place, their leader, Hon. Mr. Forke, said, "I am not in favour of protection, but I understand that the coal is very hard to get and when you do get it it is not of the very best quality." When nearly one-quarter of the population of Nova Scotia depend on those industries for a living, what are we to do? Let them starve?

The importance of the industry may also be judged by the fact that when it is working in full force it employs 23,000 workers, whose wages mean \$24,000,000 a year.

I see the honourable gentleman from Nipissing (Hon. Mr. Gordon). He may be surprised to hear that 40,000,000 feet of lumber were used for pit props alone. How many mills east of the Rockies cut more than 40 millions?

Then, they have 500 miles of railway. Their railway is the third largest in the country, next after the Canadian National Railways and the Canadian Pacific Railway. A large number of men are employed in operating and maintaining this railway. And this company pays in royalties to the Nova Scotia Government the sum of \$628,000 annually—a large proportion of the provincial revenue of Nova Scotia.

Nothing has been done on the first Duncan report, and following the second report there has been a reduction of rates on railways. I now ask honourable gentlemen to consider what would happen to a quarter of the wage earners of Nova Scotia if, perchance, this great concern were forced to suspend business. Those wage earners could not possibly exist

in Nova Scotia and they would have to leave the province. What would be the effect on that province if one-quarter of its population left there? If such an exodus should happen through any lack of willingness or attention on the part of the Government, then the Government would have to take the responsibility.

I desire now to mention another subject, the recent judgment of the Supreme Court concerning rights in the water. The honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton) possesses a good share of that Hibernian intellect which 1,100 years ago was shining so brightly in Ireland, when all the universities of Europe were supplied with professors from the Emerald Isle. He is an able counsel, and for six months was retained by the Ontario Government to diagnose and study the question, who owned the water in Canada. Honourable gentlemen will remember that he alone diagnosed the case in regard to the St. Lawrence River Ship Canal, when he located the whole case between Prescott and Montreal, a distance of 120 miles. The whole question was the difference in freight in these 120 miles. In the case submitted to the Supreme Court only one question was necessary: "Who owns the water?" That is the only question that any tribunal should be called upon to decide.

A very important personage was surprised when he read the judgment of the Supreme Court. Someone said to him, "Surely, in your exalted position, you had some inkling of what the judgment would be?" This gentleman of very high position replied, "No, I had no inkling before, and I have no inkling after having read the judgment."

The judges of the Supreme Court, the six or seven of them, are losing their time in Canada. They should go to the League of Nations at Geneva. After hearing the case argued for three weeks by the very best legal talent that Canada possesses, and then deliberating for three or four months, they finally came to the conclusion that they were unable to come to any conclusion.

I was told by an eminent lawyer, a K.C., in Quebec on Tuesday evening, that the notes of the Court go very much farther than the judgment, in favour of the provinces. Why should not the Federal and Provincial Governments come to a conclusion on this matter and stop further useless litigation?

I should like to put on Hansard a few remarks concerning the new status of Canada. The matter to which I am about to make reference is a statement that was made by Sir Robert Horne in the presence of at least two honourable members of the Senate, the