

DEBATES
OF
THE SENATE
OF THE
DOMINION OF CANADA
EXTRA SESSION, 1914

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FOURTH SESSION—TWELFTH PARLIAMENT



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SENATORS OF CANADA

ALPHABETICAL LIST

FOURTH SESSION, TWELFTH PARLIAMENT, 4 GEORGE V.

1914

SENATORS.	DESIGNATION.	POST OFFICE ADDRESS.
The Honourable		
BAIRD, G. T	Victoria	Perth, N.B.
BÉIQUE, F. J.	De Salaberry	Montreal, Que.
BEITH, R.	Bowmanville	Bowmanville, Ont.
BELCOURT, N. A	Ottawa	Ottawa, Ont.
BOLDUC, J.	Lauzon	St. Victor de Tring, Que.
BOSTOCK, H.	Kamloops	Monte Creek, B.C.
BOUCHERVILLE, DE, C.E., C.M.G.	Montarville	Montreal, Que.
BOWELL, (Sir Mackenzie), K.C.M.G.	Hastings	Montreal, Ont.
BOYER, A	Rigaud	Montreal, Que.
CASGRAIN, J. P. B.	De Lanaudière	Montreal, Que.
CHOQUETTE, P. A	Grandville	Quebec, Que.
CLORAN, H. J.	Victoria	Montreal, Que.
CORBY, H.	Belleville	Belleville, Ont.
COSTIGAN, J.	Victoria, N.B.	Edmundston, N.B.
CURRY, N.	Amherst	Amherst, N.S.
DANDURAND, R.	De Lorimier	Montreal, Que.
DANIEL, J. W.	St. John	St. John, N.B.
DAVID, L. O.	Mille Iles	Montreal, Que.
DAVIS, T. O	Prince Albert	Prince Albert, Sask.
DENNIS, W.	Halifax	Halifax, N.S.
DERBYSHIRE, D.	Brockville	Brockville, Ont.
DESSAULLES, G. C.	Rougemont	St. Hyacinthe, Que.
DE VEBER, L. G	Lethbridge	Lethbridge, Alberta.
DOMVILLE, J.	Rothesay	Rothesay, N.B.
DONNELLY, JAMES J.	Bruce	Pinkerton, Ont.
DOUGLAS, J. M.	Tantallon	Tantallon, Saskatchewan.
EDWARDS, W. C.	Rideau	Ottawa, Ont.
FARRELL, E. M.	Liverpool	Liverpool, N.S.
FISSET, J. B. R.	Gulf	Rimouski, Que.
FORGET, A. E.	Banff	Banff, Alberta.
FROST, F. T.	Leeds and Grenville	Smith's Falls, Ont.
GILLMOR, D	St. George	St. George, N.B.
GIRROIR, E. L	Antigonish	Antigonish, N.S.
GODBOUT, J.	La Salle	Beauceville West, Que.
GORDON, G.	Nipissing	North Bay, Ont.
JAFFRAY, R	Toronto	Toronto, Ont.
JONES, SIR LYMAN MELVIN	Toronto	Toronto, Ont.
KERR, J. K., P.C.	Toronto	Toronto, Ont.
KING, G. G	Queen's	Chipman, N.B.
KIRCHHOFFER, J. N.	Selkirk	Brandon, Man.
LANDRY, P. (Speaker).	Stadacona	Candiac, Quebec, P.Q.
LÀ RIVIÈRE, A. A. C.	Provencher	St. Boniface, Man.
LAVERGNE, L	Kennebec	Arthabaska, Que.
LEGRIS, J. H	Repentigny	Louiseville, Que.
LOUGHEED, J. A.	Calgary	Calgary, Alberta.

SENATORS.	DESIGNATION.	POST OFFICE ADDRESS.
The Honourable		
MACDONALD, W. J.	Victoria.....	Victoria, B.C.
MACKAY, R.	Alma.....	Montreal, Que.
MACKEEN, D.	Cape Breton.....	Halifax, N.S.
MASON, JAMES.....	Toronto, Ont.
MC CALL, ALEXANDER.....	Simcoe, Ont.
MCDONALD, W.	Cape Breton.....	Glace Bay, N.S.
MCHUGH, G.	Victoria, O.	Lindsay, Ont.
MCKAY, W.	Cape Breton.....	Reserve Mines, N.S.
MCLAREN, P.	Perth.....	Perth, Ont.
MCSWEENEY, P.	Northumberland.....	Moncton, N.B.
MITCHELL, W.	Wellington.....	Drummondville, Que.
MONTPLAISIR, H.	Shawenegan.....	Three Rivers, Que.
MURPHY, P. C.	Tignish.....	Tignish, P.E.I.
OWENS, W.	Inkerman.....	Montreal, Que.
POIRIER, P.	Acadie.....	Shediac, N.B.
POPE, R. H.	Bedford.....	Cookshire, Que.
POWER, L. G., P.C.	Halifax.....	Halifax, N.S.
PRINCE, B.	Saskatchewan.....	Battleford, Sask.
PROWSE, B. C.	Charlottetown.....	Charlottetown, P.E.I.
RATZ, V.	North Middlesex.....	New Hamburg, Ont.
RILEY, G.	Victoria, B.C.	Victoria, B.C.
ROBERTSON, J. E.	P. E. Island.....	Montague, P.E.I.
ROCHE, W.	Halifax.....	Halifax, N.S.
ROSS, J. H.	Regina.....	Moosejaw, Saskatchewan.
ROSS, W. B.	Middleton.....	Middleton, N.S.
SHEHYN, J.	Laurentides.....	Quebec, Que.
SMITH, ERNEST DISRAELI.....	Winona, Ont.
TALBOT, P.	Lacombe.....	Lacombe, Alberta.
TAYLOR, G.	Leeds.....	Gananoque, Ont.
TESSIER, JULES.....	De la Durantaye.....	Quebec, Que.
THIBAUDEAU, A. A.	De la Vallière.....	Montreal, Que.
THOMPSON, F. P.	Fredericton.....	Fredericton, N.B.
THORNE, W. H.	St. John.....	St. John, N.B.
WATSON, R.	Portage la Prairie.....	Portage la Prairie, Man.
WILSON, J. M.	Sorel.....	Montreal, Que.
YEO, J.	East Prince.....	Port Hill, P.E.I.
YOUNG, F. M.	Killarney.....	Killarney, Man.

THE SENATE DEBATES

FOURTH SESSION—TWELFTH PARLIAMENT.

THE SENATE.

Tuesday, August 18, 1914.

The SPEAKER took the Chair at half-past two o'clock, p.m.

THE SPEECH FROM THE THRONE.

His Royal Highness the Governor General being seated on the Throne.

The Honourable the Speaker commanded the Gentleman Usher of the Black Rod to proceed to the House of Commons and acquaint the House that:

'It is His Royal Highness the Governor General's pleasure that they attend him immediately in the Senate Chamber.'

Who being come with their Speaker,

His Royal Highness the Governor General was then pleased to open the Session by a Gracious Speech to both Houses:

*Honourable Gentlemen of the Senate:
Gentlemen of the House of Commons:*

Very grave events vitally affecting the interests of all His Majesty's dominions have transpired since prorogation. The unfortunate outbreak of war made it immediately imperative for my ministers to take extraordinary measures for the defence of Canada and for the maintenance of the honour and integrity of our empire.

With respect to such of these measures as may require the sanction and approval of Parliament, the necessary legislative proposals will be submitted for your consideration. Other Bills authorizing additional measures which are essential for the public safety will also be presented to you without delay.

Gentlemen of the House of Commons:

Estimates will be laid before you to provide for expenditure which has been or may be caused by the outbreak of hostilities.

*Honourable Gentlemen of the Senate:
Gentlemen of the House of Commons:*

The critical period into which we have just entered has aroused to the full the patriotism and loyalty which have always actuated the

Canadian people. From every province and indeed from every community the response to the call of duty has been all that could be desired. The spirit which thus animates Canada inspires also His Majesty's Dominions throughout the world; and we may be assured that united action to repel the common danger will not fail to strengthen the ties that bind together those vast dominions in the possession and enjoyment of the blessings of British liberty.

As representative of His Majesty the King, I must add my expression of thanks and admiration for the splendid spirit of patriotism and generosity that has been displayed throughout the length and breadth of the Dominion.

His Excellency the Governor General was pleased to retire, and the House of Commons withdrew.

FIRST READING.

Bill () intituled, An Act relating to Railways.—Hon. Mr. Lougheed.

The Senate adjourned until to-morrow at three o'clock.

THE SENATE.

Wednesday, August 19, 1914.

The SPEAKER took the Chair at Three o'clock.

Prayers and routine proceedings.

THE ADDRESS.

MOTION.

The Order of the Day being called:

Consideration of the Speech of His Royal Highness the Governor General on the opening of the fourth session of the twelfth Parliament.

Hon. Mr. BOLDUC said:—Hon. gentlemen: I quite appreciated the honour conferred upon me by the leader of the Government in this House, in inviting me to move the adoption of the address in answer to the Speech from the Throne. I regret that a voice more eloquent than

mine has not been selected on this occasion. However, a refusal to accept the honour thus extended to me might have indicated that I was not grasping the full extent of my duty, when I believe that I am but the echo of the members of this honourable House, in expressing my appreciation of the policy of the Government as stated in the Speech now before us.

The sudden summoning of Parliament was no surprise to us, for, after the declarations of war by almost every country in Europe, and especially the active part being taken by the motherland, it was certainly the strict duty of the Government to adopt all urgent measures for the protection of our country.

England being at war, Canada could not escape its obligations, one of which was the immediate summoning of the Houses in special session, in order to obtain their sanction for measures already adopted, and authority for those to be taken in the future.

I may be permitted to offer my sincere congratulations to the Government for its prompt action. The task was a hard one, but our ministers were equal to it.

We learn from the Speech from the Throne that the Government has already mobilized a portion of the military forces in this country and has begun the recruiting of the volunteers to go and defend the motherland, over the seas.

We also know that important steps have been taken with a view to the protection of our seaports, as well as for the general safeguarding of the country. These measures, I feel sure, will meet with the unanimous approval of the honourable members of this House. We are also aware that, in order to meet the important obligations which befall us, we shall have to vote the necessary amounts to defray the expenditure already incurred and that which will necessarily follow. With that purpose in view, I also believe that the vote will be unanimous and that no dissenting voice shall be heard.

The war which has just broken out certainly threatens to be the most terrible, murderous and ruinous that has ever taken place.

The armies engaged in this struggle will, before many days, number twenty millions of men. One cannot contemplate, without a feeling of horror, the consequences of this monstrous war, started by a single individual who, we trust, shall dearly pay for his criminal venture.

The spark which seems to have caused

this conflict was not, whatever may be said, the outcome of the murder of the heir apparent of Austria, by a poor feeble-minded Servian.

To those who have followed European affairs for the last few years, there can be no doubt that one man only was looking forward to this war, and that man was William II, Emperor of Germany, whose criminal ambition is to become the Napoleon of the Twentieth Century.

What does he care if millions of men be sacrificed to his ambition, and lose their lives in this horrible war, and if millions of other men, women and children be exposed to die of starvation during the war or from the effects of it; what cares he if lead, steel and fire destroy the greater part of Europe; if his inordinate pride is satisfied? Nero, in his incendiaryism of Rome, was less of a criminal.

The first move of German policy was the crushing of Austria.

In 1870, the Prussian eagle, or rather the Prussian vulture, lighted on France, and, without any justifiable cause, snatched from it, in addition to a heavy indemnity, two of its most beautiful provinces.

Since 1870, we have seen Germany continually at work increasing its powerful army, having in view the domination of the whole of Europe at the first favourable opportunity, and quite decided to bring about this opportunity should it fail to arise promptly. England alone seemed to be outside of the scope of Germany's greed, but the autocrat had his objects, and if he had succeeded in gaining possession of every country in Europe, he would not have been slow in dictating his ambitious views to England. Fortunately, England had foresight, and had penetrated the schemes of perfidious William.

Every time Germany, by its numerous maritime constructions, attempted to secure the supremacy of the seas, England, watchful of her own defence, defeated the plans of her rival by more considerable armaments. This is the sole explanation of the friction between England and Germany for the last few years. The wisdom of the English statesmen set to naught the nefarious schemes of William; the wrath of the latter is thus explained.

We are all aware of the mellow utterances of William to England before the declaration of war, but the awakening of the impulsive Emperor must have been bitter, when England proudly replied that she would never be a party to the violation of Belgian neutrality nor to the molestation

of her friend, France. What a disappointment for the conceited monarch, on seeing all his schemes falling through.

Germany was first awakened by the attitude of Belgium. This small nation of brave men did not hesitate, for a single moment, to oppose the proud Teuton, in order to preserve its neutrality and to abide by its treaty agreements.

Notwithstanding the fallacious promises of Germany, this small nation of heroes has pluckily defended its territory in a manner which calls forth the admiration of the whole world, even of its enemies. A handful of valiant Belgians succeeded in checking the advance of the German giant and enabling the Triple Entente to make preparations for repulsing the common enemy. Never before, in history, has a nation proved itself more heroic than these proud Belgians. To the German general, demanding the surrender of Liège, the Belgian commandant proudly replied: 'Belgians may die, but will never surrender.' What a beautiful page to add to the history of this valiant nation. Before the standard of Belgium, all true friends of liberty should salute, in recognition of brave men resolved to maintain the faith of treaties.

Germany's second disappointment was the refusal of Italy to side with the oppressor. The honesty of the Government, upheld by the unanimity of the Italian people, prompted the answer which is well known to all of us: 'Italy agreed by the treaty of the Triple Alliance to support Germany in case of invasion of her territory, but not to assist her in the invasion of other countries.' We can easily imagine the rage of the haughty potentate when he received this proud answer. William had thought that passing through Belgium to invade France would be a simple walk over, and that Italy would join him in carrying out his scheme to become dictator of the whole of Europe.

What do we see to-day? It is Belgium which checks the tide of German invasion, and which for several days past, has been inflicting bloody losses on the German hordes, to such an extent that French territory is not yet invaded. Meanwhile, the Russian colossus is advancing slowly but surely on Prussia, and, in a short time, will have reached the gates of Berlin. It will not then be France struggling under the Prussian heel, but Germany itself squirming under the Muscovite pressure, and rendered powerless by the victorious Cossack, that is in the best interests of humanity and civilization.

Germany had also relied on serious divisions in Ireland, but we are pleased to notice that war had hardly been declared when all parties united for the defence of the Empire. Redmond, the great Irish patriot, had no hesitation in recently declaiming in the House of Commons: 'You may withdraw your battalions from Ireland, and the Protestant Irishmen of the North and the Catholic Irishmen of the South will march, hand in hand, against the common enemy, in the defence of Ireland.'

Honourable gentlemen, I do not intend to claim your attention much longer, but I may be permitted to say a word of the financial situation of the country in this almost general critical period. The situation, far from being desperate, is not even alarming. The Government has already adopted wise measures, and appears to be decided to adopt additional precautions to prevent a panic during this war.

Unfortunately, times like the present give rise to attempts at trusts and speculation. But our Government is watchful, and will, I am sure, be able to face the situation and protect the people from such extortion, and ensure to our commerce and our industries the necessary prosperity, to enable them to assist the countries devastated by war.

However, before concluding, I may ask what should be the attitude of Canada under the circumstances, and especially of its French-Canadian citizens?

Our beautiful country is England's most important colony, and is treated with the utmost generosity.

Under England's protection Canada has enjoyed free commerce, over all the seas of the world, assisted by the most powerful fleet that has ever existed, and by English diplomacy, which has always endeavoured to assure the peace of the world, and unite under the broad folds of the flag of Albion, those who might assist her in the hour of need. Our status of British subjects is a guarantee that we may go straight ahead, without fear of foreign oppression. On the other hand, we cannot forget that we are descendants of the French of Old France, and when we behold the English standard flying next to the French colours, there is an irresistible feeling which stirs the hearts of those who are the children of France as well as those of England.

We cannot imagine the defeat of the Triple Entente without feeling deeply anxious as to what would be our future should Germany be victorious. But I feel sure that

Divine Providence will favour our powerful protectors, and the lesson taught to our enemies will deter them from further oppression.

I have no doubt the armies belonging to the Entente Cordiale will triumph over German arrogance, and that when peace will be again established the allies of the Triple Entente will take the necessary steps to insure the world's peace for a century to come.

Allow me to heartily congratulate the brave Canadians who do not hesitate to leave their families and their interests and expose themselves to the dangers of war for the defence of the mother country. They furnish England the proof that they have their hearts in the right place.

If, God forbid, our beautiful Canada should be invaded by foreign hordes, I am convinced that all Canadians would rise and march as a unit to repulse the enemy and prove that Canadians may die, but shall never consent to become slaves.

I move the adoption of the Address.

Hon. Mr. SMITH—I arise to second the motion which the hon. gentleman from Beauce has made. Before addressing the House on this question, I wish to thank the hon. leader of the Government for the honour he has done me and the district from which I come, in asking me to speak on what I believe to be a historic occasion in the history of Canada. For the first time since the Confederation of these provinces, Parliament has been called together to vote large sums of money for war purposes, and especially for the first time that it has ever voted large sums of money for war purposes in a European conflict of vast proportions that the people had been anticipating for a considerable time. For many years it has been prophesied that this conflict would come, and it has come rather sooner than was expected. What was the cause of it, and is the United Kingdom justified in taking part in the war? That is a question well worthy of discussion. In my humble judgment, the cause of it is simply the overweening ambition of the Emperor of Germany. Many excuses have been brought forward by the Emperors of Germany and Austria to justify their aggressive policy, but I think every man in this Chamber, almost every man in the country, will agree with me that the real cause is the ambitious desire of the Emperor of Germany to dominate Europe and the world, and to inflict upon Europe and the world

the military despotism and the military system which he has been so successful in establishing in Germany. Having a powerful army organized, he first of all seized a portion of Denmark and later on used his army to crush Austria, and later to crush France. Having his army established, he had the power in his hands to continue to increase it. He has done so, and to such an extent that it has become a menace to the nations. With his views and the views of those around him, that army is a menace to the freedom of the world. I regard this as a contest between the powers that believe in ruling the world by the force of arms and by military power, and those who would be agreeable and delighted to have the world ruled and disputes settled by arbitration and diplomacy. It is a war between those who believe that force and might are right, and those who believe there is a better way to settle disputes. It is unfortunate and disastrous that those who love peace have to make war, but the time had come when war was inevitable with such a man as the Emperor of Germany at the head of that great nation. He picked his own time for the conflict. He looked round the world and thought he saw a civil war about to take place in Great Britain. He looked at France, and read statements by the Premier of that country that its defences were not what they should be. The Balkan States had been weakened by the late war, and he thought Russia had hardly sufficiently recovered from the contest with Japan. He saw that the overseas possessions of the British empire were gradually, year by year, becoming more impressed with a sense of their duty to assist the mother country. He foresaw that the longer he put the conflict off, the stronger those dominions would be, and he thought the time had come to strike the blow. He counted on Italy as his ally, but that country thought the contest was brought on unjustly, and so far, apparently, has no desire whatever to assist the other members of the Triple Alliance. When a German army invaded Belgium, England, as the guarantor of the liberty and freedom of Belgium, felt it her duty to carry out her promises and go to the assistance of the Belgian people.

More than that, the people of Great Britain felt that the freedom of the British people and of all nations who desire to live in peace throughout the world was threatened, that the time had arrived to fight, and not to wait until France is crushed,

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not to wait until Belgium is absorbed into the German Empire, not to wait until Germany is still stronger, and more powerful, but to strike now when the time is ripe and the cause just. Great Britain has struck. I think the best proof that she is justified in doing so can be found, not only in our own consciousness but in the tributes that are paid to her by the world. Our neighbour, the United States, looks on as a neutral nation, and although amongst her population are enormous numbers of German and Austrian origin, any of us reading the great daily papers of the United States must feel grateful, as British subjects, that the great republic believes our course is absolutely justified and warranted. Around the world we find every small nation, the independent nations, those who love freedom, joining in the chorus that England is doing the right thing, doing the noble thing, doing what she ought to have done. We in Canada, as a part of that great empire, feel that our safety is at stake; we feel that if the power of England should be broken in the near future our independence, our freedom, and our belief in the settlement of disputes by arbitration, our love of peace, our peaceful homes and rule as we have it in Canada would be threatened and shattered; therefore I feel, as every Canadian feels, whatever his origin—even Germans themselves—that we are justified. I have met some Germans in this country, and have spoken to others who have met numbers of them who say that they would be only too glad to enlist and take part in this war. It is not a war against the German people, it is a war against a system that has been adopted and carried out in Germany, a military system, and the Germans themselves will reap the most benefit if the power of the Emperor of Germany is broken, as I fully believe it will be. From the unanimity of the opinion of this country, including all classes, and the unanimity which I am sure we will meet with in this hour. It is clear that Canada is justified in doing everything she can do to assist the mother country and her allies in this emergency. If the present contingent is not enough, we will send another, and if need be another, until the war is concluded and settled in a way that is satisfactory to the British people and to the free nations of the world. Many people seem to feel that it is a time to lose confidence; business is somewhat depressed; we have just passed through a year or more of financial stagnation in the world, and

Canadian people are prone to think that this is a time when we are going to be pinched. Doubtless some of our interests will suffer, such as the agricultural implement industry, that does a large portion of its business with Russia, and many of our homes will no doubt lose some of their loved ones, and will suffer in that way; but I think that Canada stands to gain more in this contest in every way than any other nation or people in the world. We stand to gain as a nation, because it will be fixed and established once for all that Canada is a part of the British empire and is going to stand by it through thick and thin. That was established, perhaps, sufficiently at the time of the Boer war; but this will establish it on firmer ground than ever, and the nations in future, when they count Great Britain and Ireland, will count the British dominions all over the seas as an integral part of that nation. That is one thing that will be made clear, and that is something that will be well worth while. But looking at it from a financial point of view, Canada stands to gain more than any other country in the world, because our chief products are agricultural and food stuffs, and any one knows that these are certain to rise in value. We are certain to gain in that respect, having a surplus of exportable products in food stuffs. We look around the world to see what nations export, and we will be able to judge more surely what our position will be. Our position is such that our trade routes are bound to be protected, being shorter than those of any other food producing countries in the world that have large surpluses for export. Our routes are sure to be amply protected; therefore insurance, and probably freight rates, will be lower in proportion than from any other country in the world. Some of the countries which export agricultural products in large quantities will be handicapped. One of those countries is Russia. Russia will put an embargo on those products, if she has not done so already. Australia is a large exporter of food products, and will continue to export during the war, but the route from that country is more dangerous and the insurance rates will be higher. The Argentine republic exports large quantities of food products to Great Britain and France, but the routes from there are not so well defined and protected, and insurance rates are bound to be higher. Therefore, of all countries in the world, Canada stands to get the advantage

from this war if long continued. Then we must not forget that there are vast quantities of raw material besides food stuffs that Great Britain and France require. Heretofore those raw materials have come from various countries in the world, no small portion of them from Germany, Austria and Russia. Those sources will be absolutely cut off; so that whatever raw material Canada has of any kind for manufacture will find a ready market. She will be in the premier position of all the countries in the world to take advantage of her position. Even in manufactured goods there will be some little advantage—print paper, for instance. Then looking at it from another point of view, Germany and Austria have an enormous export trade with the other nations of the world, the total business of those countries being three billions of dollars a year and upwards; but that enormous trade will be entirely ruined and destroyed if the war is long continued, and Great Britain and the United States, and other countries not engaged immediately in the conflict will take advantage of it. It is the time of opportunity for Canadian manufacturers. If a Canadian manufacturer has been engaged in manufacturing anything that competes in the trading ground of the world with Germany and Austria he will seize this opportunity to forge ahead and get a piece of that market. Therefore it is a time when Canadians ought to have confidence. Confidence begets confidence. If people get to feel a lack of confidence it inspires a lack of confidence in others. This is a time when we should have confidence in ourselves. I think we are warranted in having confidence financially as well as politically and nationally. We have much to gain, although of course we are losing a great deal at the same time. I feel that there is no necessity to make an appeal for unity. Canadians are a unit if we are to judge by the press and by the conversations we have with everybody throughout the country. We are an absolute unit, and we have every confidence that this Parliament will pass the measures proposed by our Government as the British Parliament did, quickly, and show the world that we are united absolutely to carry on this warfare to the end.

Hon. Mr. BOSTOCK—May I be allowed in the first place to congratulate the mover of this address on his able speech, and to join with him in the words in which he expressed the appreciation which we all

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feel of the way that the Belgian people are fighting to-day for the defence of their rights and of their country. May I also congratulate the seconder of the address on the way in which he has presented the subject to this House, and his statement that the Canadian people to-day are a unit in their support of the mother country, and will stand together shoulder to shoulder in the struggle now before us.

When we parted two months since no one anticipated that we should be called together again within so short a time, much less that the grave condition of affairs such as exist in Europe to-day would have arisen. It has been suddenly and very strongly brought to the realization of the people of this country that when Great Britain is at war Canada is at war, and that all the interests of the Dominion from one end to the other suffer.

The present conditions show that a struggle of the kind that is now taking place is not confined to one part of the world, but that on the Pacific ocean as well as the Atlantic ocean it is necessary to be prepared to protect and defend the country from attack. The present is not the time to enter into any discussion on this matter, but the Government is certainly to be congratulated on the prompt action they took in purchasing, before the outbreak of war was announced, the submarines that are now defending, in conjunction with the Rainbow, the Shearwater and the Algerine, the Pacific coast, and that they have also pushed on the work of bringing the Niobe back into commission. This, together with the measures taken to strengthen the land defences, has restored confidence to the people who, for a short time, did not know what they might expect. In considering the position in which Canada is placed to-day, we know that we are supporting the right, that we are helping in a fight, not only to maintain the honour and position of the United Kingdom, but to preserve the whole basis of civilization for which we, as a part of His Majesty's dominions, stand; and here I would like to refer to the words used by the Prime Minister of the United Kingdom, as quoted in the London Times, where he says:

I am entitled to say, and I do say on behalf of this country—I speak not for a party but for the country as a whole—we made every effort that a government could possibly make for peace. This war has been forced upon us.

In supporting Great Britain in this struggle, Canada knows that she has not

been placed in a position where she willingly takes up arms to do her part until every effort that could honourably be made had been put forth to keep the peace, and that this war has been forced upon the whole of His Majesty's dominions because, although they were under no formal obligations to take part in such a struggle, yet they have to fight, to quote again the words of the Prime Minister of the United Kingdom:

'In the first place to fulfil a solemn international obligation—an obligation which if it had been entered into between private persons in the ordinary concerns of life, would have been regarded as an obligation not only of law, but of honour, which no self-respecting man could possibly have repudiated. Secondly we are fighting to vindicate the principle—that small nationalities are not to be crushed in defiance of international good faith by the arbitrary will of a strong and over-mastering power.'

These words place in a concise form the position in which we are to-day and the reasons why we are engaged in this struggle—a struggle not against the German people or the German race, but against the form of imperialism and autocracy that has too long domineered over a pacific and amiable people, oppressing and keeping them from realizing their natural aspirations. We admire the plucky and determined stand that has been made by the people of Belgium in the defence of their rights and of their country, and sympathize with them in having to bear at the present time the blunt of the conflict. This time, as at the time of the Crimea, we are the allies of the French, but now we have the Russians also with us. In dealing with the legislation that is mentioned in the address as about to be brought before this Chamber, as in the House, we shall remember that the responsibility of dealing with the present situation rests on the members of the Government, that we are here to facilitate their work at the present time as much as possible, reserving for a future date any criticism that we may then think should be made. May I, however, be allowed to express the hope that in every way possible the people may be assured that there is no need to fear a scarcity of food in this country, and that they should be satisfied that everything is being done and will be done to keep the price of food stuffs down to their normal level and readjust the trade of the country to the altered conditions under which it may have to be carried on. A proper realization of this position will help very much in the present difficulties.

The last paragraph of the address, which reads:

'As representative of His Majesty the King I must add my expression of thanks and admiration for the splendid spirit of patriotism and generosity that has been displayed throughout the length and breadth of the Dominion.'

will be appreciated by the people as a recognition by His Majesty the King, expressed by His Royal Highness the Duke of Connaught, of the response made by the people of Canada in this hour of trial.

Hon. Mr. LOUGHEED—Permit me to congratulate the mover and seconder of the Address in reply to the Speech from the Throne upon the calm and judicious spirit which they have shown in dealing with this subject.

At such a time when all the national impulses are stirred it is peculiarly an occasion for dispassionate deliberation and for the exercise of the highest qualities of the mind that we can bring to bear in dealing with those measures of the public business which call us together. It is peculiarly a time when the public needs of the country require not only a unity of all parties but the exercise of the highest and best abilities and services of our public men no matter to what party they may belong, in contributing to the advancement of the common good. I believe that this spirit animates every member of the Parliament of Canada at this special sitting called to deal with the extraordinary measures which will be brought before us.

In view of the extraordinary events which have happened during the present month, involving the Empire in war with two of the great powers of Europe, it is but common place to say that seriously as Canada has regarded the European situation for some four or five years past yet we were startled into a sense of reality upon facing an actual declaration of war between England and Germany. The Government of Canada at once assumed the responsibility of recognizing the important fact and upon which there could be no two opinions, that the Empire being at war, Canada was also at war, and that it became necessary for the Government to adopt such measures as would be commensurate with the critical situation that had so suddenly arisen.

The public will and utterance were peculiarly expressive of that which should be done. Parliament could not have more clearly defined the duty that was cast upon Canada as was so clearly and emphatically

done by the voice of the public will throughout the whole Dominion. Canada's manifest course was to contribute men and arms and food supplies. The extent to which this assistance should be given has been more clearly defined through the correspondence which has taken place between the Imperial Authorities and our own Government. Steps were at once taken for the organization of a Canadian contingent equivalent to an Army Division, to form part of the Imperial Forces and to be subject to the orders of the Imperial authorities. Canada has accordingly organized a force consisting of the following units:—Divisional headquarters; 3 infantry brigades of 12 battalions of infantry; headquarters divisional artillery with 3 field artillery brigades of 9 batteries, and 1 field artillery howitzer brigade of 3 batteries; 1 heavy battery and ammunition column; 1 divisional ammunition column; 1 headquarters divisional engineers; 2 field companies of engineers; 1 signalling company; 1 squadron of cavalry; 1 divisional train and 3 field ambulances, making a total of, roughly, about 600 officers and 17,500 men with 72 field guns and howitzers, and about 5,600 horses. In addition to this, about 2,000 men are left at the base, as what are called "first re-enforcements," making in all, roughly, about 21,000 men.

This force is now being mobilized in camp at Val-Cartier with a view of being subjected to a more advanced organization before leaving our shores for the seat of war. In addition thereto, the Government has contributed a million bags of flour. The Government has also purchased from the Chilean Government at a cost of one million dollars two new sub-marines, the construction of which had just been completed in the shipyards of Seattle. These will be used for purposes of defence on the Pacific coast. We have also tendered to the French Government for use of the army of France substantial aid for their hospital work. Munificent assistance has also been tendered by Provincial Governments, Municipalities and individuals. Mere words cannot express the loyalty, the patriotism, the self-sacrifice, generosity and devotion exhibited by the whole of Canada in responding to the call of Empire at this time. It was not necessary for the Government of Canada to make an appeal to the country for the assistance which had been proffered. The spontaneous response of the people has been overwhelming and the chief difficulty

of the Government has been to keep within bounds the wishes and the demands of the able-bodied men of Canada in the tendering of their services to be sent to the seat of war.

Owing to the war being in its initial stages and the uncertainty of the developments that will ensue, it is, therefore, impossible at the moment to say the extent to which Canada may be called upon to render further assistance. Up to the present time the measure of assistance proffered to the empire has met with the most gratifying reception in Great Britain. The sentiment invoked by Canada and the other overseas dominions has been more valuable to the Imperial authorities and will give greater prestige to Imperial arms than the material value measured by men and treasure. We cannot overestimate the value to Great Britain of the spontaneous answer of loyalty and devotion given by the overseas dominions at a moment when a common danger threatens the integrity of the empire.

To meet the extraordinary situation which has arisen it has been necessary for the Government of Canada to meet the exigencies which have presented themselves in anticipation of legislation being passed giving extraordinary powers to the Government. Such a situation not having before arisen in our history our statute book is therefore destitute of what I might term war legislation; consequently measures will be submitted to cover the extraordinary powers which the Government has been called upon and will be called upon to exercise at this critical period.

This is the first time in the history of Canada since it has enjoyed representative institutions that we have been called upon to adopt special measures in aid of the empire by reason of a European war. It is the first time we have been called upon to maintain our integrity as an integral part of the empire against a European enemy. There was a time when Canada was the battlefield between England and France, in which each sought to wrest from the other the possessions held by both on this continent. There was a time when the Crown Colonies in Canada resisted the invading army of the American Republic when it sought to include our territory within its boundaries. There was a time within recent years when Canada responded to the call of the empire on the battlefields of South Africa, but in none of these events did Canada occupy the unique position which in the present conflict she occu-

ples to-day. This war will go down in history as one in which the overseas dominions recognized without discussion or hesitation that when Great Britain was at war those dominions likewise were at war; that Great Britain's obligations were their obligations whether offensive or defensive; and that the duty was theirs to march in step with the armies of the empire whithersoever that march might lead.

The present situation is unique not only in our actual relations to the empire but even more so in thus settling for some time at least the future relations of Canada to the empire. For some years past the future of Canada proved a prolific theme for discussion and thought. Constitutional students have worked out time and again the national destiny that would be most advantageous for the future of Canada. Much has been said and written upon the inexpediency of Canada in any way being involved in the complexities and conflicts of European diplomacy. Publicists have discussed this subject as if it were purely one of cold reason, one in which Canada could at will detach itself from the sentiments and traditions of the empire and map out for itself a constitution and a national career entirely apart and distinct from the ties that up to the present time have bound it to the empire. We have discussed at length, and very properly in all seriousness, whether Canada should involve itself in the conflicts and wars of another continent, but suddenly as a bolt from the blue England's declaration of war has aroused the whole of Canada to action and fired its patriotism as if we were part and parcel of the United Kingdom. The response which has been made from the Atlantic to the Pacific is not the response of the Government of Canada nor of any political party, but the irresistible sentiment and will and voice of a united people. It is in answer to this sentiment that this special meeting of Parliament has been called; it is in response to this spontaneous outburst of loyalty and patriotism to the empire that we are about to proceed to consider the measures to be submitted to Parliament.

When war's alarms resound throughout the nation it is surprising how seemingly petty become many subjects and concerns of party warfare. It is gratifying to note how trivial and superficial are the differences that have divided great parties and how easily united are all

sections and parties in the face of a common danger. Few things have been more gratifying than the common front presented by political parties in Great Britain, who a few days ago seemed to be on the borders of civil war, but who within twenty-four hours forgot all their differences and stood shoulder to shoulder ready both to attack and repel the common enemy. It is likewise gratifying that within our own boundaries political divisions have been forgotten, party strife has been silenced and a united people seek to outrival each other in responding to the calls of empire. In view of what has happened the paramount duty of the Government upon the declaration of war was to respond to the sentiment and will of the people so irresistibly expressed throughout the whole of Canada. This we have done.

While the situation which faces the empire has been brought about without Canada having had a constitutional voice therein, yet we accept the situation as freely and as loyally as if the responsibility had been entirely our own. We, therefore, approach the duty cast upon the Government in meeting this national crisis, this state of war in which the empire is placed, as a duty pointed out not by the Government itself nor by any political party, but by the people themselves. Canada finds itself as a part of the empire in a state of war with Germany and Austria-Hungary. We accept the situation with equanimity. While we make no comment that we had not a voice in bringing it about yet we view the situation with precisely the same satisfaction as do the people of Great Britain. This is another manifestation of the same national sentiment that is found in the very heart of the empire.

Probably no good purpose is to be served by attempting to discuss the causes which have led to the present war, owing to the complexities of the European situation which for some years past have placed the most extraordinary strain upon the great powers in building up those titanic armaments which daily threatened to convert Europe into a shambles. It has been apparent for some time that the strain had about reached its limit. The absolute refusal of Germany to call a halt in its armaments, notwithstanding the pacific approaches made from time to time by the other powers to secure its consent to disarmament, constituted such a menace as

to threaten at any moment the conflagration of war over the whole of Europe.

For some years past it became apparent that Germany in time would again seek to crush the Republic of France. In a work published last year entitled 'Germany and the Next War,' by General Frederick Von Bernhardi, one of the Generals of the German army, no concealment is made therein of the policy of Germany not only towards France but towards France and her allies. On page 104 of this work we find this significant statement:

'In one way or another we must square our account with France if we wish for a free hand in our international policy. This is the first and foremost condition of a sound German policy, and since the hostility of France once and for all cannot be removed by peaceful overtures the matter must be settled by force of arms. France must be so completely crushed that she can never again come across our path.'

This avowal of policy was equivalent to a declaration of war with England. Were Germany able to carry out this policy of absolutely crushing France, Germany would assert itself as the master of Europe. Even under those conditions and after Germany's declaration of war against France had been issued England withheld its hand until Germany grossly violated the neutrality of Belgium. England thus had no other recourse than to join arms with France in seeking not so much to break the power of Germany as to maintain its own Imperial existence.

In all the historic wars upon which England has entered, fighting as she has done for centuries on sea and land not only for her own existence but for the liberty and freedom of the subject against the tyranny of the despot, never in all those historic wars has she so up-held the traditions of her honour and her glory as in this war. She has cast in her lot with France to uphold her national honour and to observe the carrying out in its integrity the pact of an unwritten treaty. Words also cannot express the profound admiration of the world at the courage and gallantry of Belgium in thus far resisting the overwhelming army of Germany in defending not only its own soil, but at the risk of its national existence fighting an almost invincible army to maintain its obligations of neutrality to the other powers of Europe.

Also at this critical time we on this side of the Atlantic cannot fully express our admiration for the supremacy of England's fleet, which in its wonderful organization is now so protecting the trade routes of the

ocean, that shipping between our own ports and those of Great Britain enjoys an immunity almost as secure as if we were at peace with the world.

Of late years much has been said of universal peace. Its advocates in all sincerity have made extraordinary efforts to bring the great powers within the sphere of settling national controversies by peaceful methods, but alas for human frailty, universal peace seems to be as distant as it ever was. Notwithstanding our boasted civilization and our preachments for universal peace and for the abolition of war we have but touched the shadow leaving the substance in all its activity and hideousness. So long as human passions throb in the breasts of nations so long will war be an actual fact. Probably at no time in the world's history as within the last few years, have such widespread efforts been made to establish the nations on a footing of peace, but strange to say with each effort has the carnage of war made progress in a greater inverse ratio.

At such a time and under such provocation peace at any price by England would not only have been cowardice but it would have cost the Empire its national existence. The peace of Europe for the next generation at this time can only be secured through the success of British arms in the titanic struggle upon which England has entered. Peace, national peace, can only be purchased at such a time through the pouring out of lives and treasure in maintaining those great principles of liberty and freedom for which England in the past has shed its best blood on the historic battlefields of the world. Canada at this time recognizes the struggle upon which Great Britain has entered. The success and glory which await its arms and the assured security and destiny of the British Empire are the greatest guarantee that the world can have for the future peace and prosperity of the nations.

May I say in conclusion that we realize the gravity of our duty at this time. It is not in the spirit of martial display that Canada has answered the call of Empire but from a deep sense of loyalty and devotion to those great national institutions that so long have stood for the highest and best interests of the human race.

Hon. Mr. DANDURAND—Hon. gentlemen, all the efforts of the men of good will, throughout the world, in favour of permanent peace have been unavailing. During the last fifteen years I have been in close

contact with European parliamentarians who were striving towards a better understanding between nations. Most of them felt that Berlin was the main obstacle in the way to the attainment of that goal. It became quite plain that Germany intended to resort to force for the solution of international difficulties rather than to arbitration when it refused obstinately to consider the British offers of limitation of armaments. Germany had decided upon war when it refused to accept Great Britain's offer of mediation after Austria's ultimatum to Serbia, and the natural sequence to that refusal was Germany's declaration of war against Russia. This meant war all around and war it must be. My fervent hope is that this horrible drama will be the dawn of a better era. It is evident that Germany is paying the penalty for its utter disregard of the rights of nationalities. Other nations have been equal sinners at different times in history. Poland has been one of the victims of its powerful, greedy neighbours. We all hope that the day is near when it will be freed from the heel of its cruel oppressors.

The well-known Professor Bonn, of Munich University, gave, last week, as the prime cause for the present war the invincible determination of the French to retake the two lost provinces of Alsace-Lorraine, and he adds the following commentary:

As far as our antagonism to France is concerned, we have always looked upon it as a regrettable fact which time, perhaps, might do away with. We are just enough to understand that a country like France, with a glorious past, a gallant spirit and an undaunted courage, cannot forget the blow we dealt her forty-three years ago.

We think we have been right in retaking from her Alsace-Lorraine, belonging originally to the German empire. But we look with a kind of envy upon her who succeeded in denationalizing the people of those provinces to such a degree that we have not yet been able to make them Germans once more.

We have always regretted that the two most civilized nations in continental Europe should be rent asunder by an unforgetten past.

We hoped that the creation of a wonderful African empire might in the long run soothe French national feeling. We should have been always willing to come to an understanding in the existing state of affairs, but though there have been lucky statesmen in France who tried such a policy, public opinion was too strong for them. French people preferred to sacrifice the main ideas on which their republican government is based and made an alliance with Russia.

We realize that the gallant spirit of the French people has furnished the mainspring which has made this war possible.

We honour her for her courage. For we know

well enough that it is she alone amongst the partners who runs real risks. We know that she is not moved by sordid motives. But as we know her unforgiving attitude, as we know that she was helping Russia and egging her on against us; that she was instigating Britain and Belgium as well as Serb and Roumanian, we had to take her attitude as what it was; as the firm policy of a patriotic and passionate people, waiting for the moment when they could wipe out the memory of 1870, putting nationality to the front, sacrificing their own ideals of humanity.

This outrage upon the rights of people who were snatched away from the bosom of their national family was perpetrated in modern times, under our eyes, in the very centre of European civilization.

In Canada we will all pray for the success of Great Britain and her allies in the hope that this great conflict will be settled with a single eye to the inalienable rights of nations and the establishment of permanent peace among them.

Hon. Mr. CLORAN—I rise simply to say a few words on this historic occasion: I consider the moment opportune to re-echo and emphasize the most notable declaration made for centuries on the floor of the British Parliament by the Irish leader, John Redmond. When the Prime Minister of Great Britain rose in his seat and informed the House and the people of England that his Government had declared war against Germany, the first to rise and extend the hand of aid in the hour of peril and need was the chosen representative of the Irish race, John Redmond. Here in the Senate of Canada, and in the name and on behalf of the Irish Canadian people, I most heartily endorse the attitude taken by the Irish leader on that occasion—a leader who is to become, in a short time, the Prime Minister of Ireland, a nation able to take care of itself and allow England to take its soldiers to the front—a man who in all probability may be a future Prime Minister of the British Empire. War has its calamities, but war also has its blessings. This war already, in its initial stage, has given to the human race many blessings. In the first place it has restored the ancient kingdom of Poland to its place in the family of nations. In the second place, it has silenced the enemies of Home Rule for Ireland; thirdly, it gives back to the Chinese Empire the territory that was usurped by Germany. Again, it will return—and we all pray it will return—to dear old France, her two lost provinces, Alsace and Lorraine. This is what the war is doing and accom-

plishing already. It will take the clutches of Austria-Hungary off the Balkan people. It will force Turkey to limit, if not to cease, its misrule and its atrocities against the people of Eastern Europe. It will end—and we will all pray for that—the German peril of government by autocrats. It will end that rule which the wielder of it calls divine. If it is divine, then the rule is carried out by a human monster. This war will call for a halt in military armaments, and the sacrifice of human life for the glory and benefit of all autocrats. This war will give, it has already given, to the Jewish race its due measure of liberty and justice. This war will confirm and extend the reign and supremacy of democracy. Under these conditions, Canada's millions will be well and profitably spent, and Canadian life can be and will be nobly sacrificed, to bring about these happy results.

The motion was agreed to.

The Senate adjourned until three o'clock to-morrow.

THE SENATE.

Thursday, August 20, 1914.

The SPEAKER took the Chair at Three o'clock.

Prayers and routine proceedings.

THE LATE SENATOR McMILLAN.

Hon. Mr. LOUGHEED—Before the Orders of the Day are proceeded with, it is my sad duty to inform the Senate of the death, since we last met, of our late colleague Senator McMillan. He was one of the oldest members of this Chamber, having occupied a seat herein for thirty years. For some years past his active participation in the deliberations of the Senate was seriously interrupted through his condition of health. When I first became a member of this body Senator McMillan exercised a very strong influence in the business and deliberations of this Chamber. Although never very prominent in debate, yet in the transaction of our business his influence was always decidedly felt.

For many years he was a prominent member of the medical profession to which he belonged, and identified himself very prominently in the legislation and general interests of that profession.

Although a man of very strong opinions and decided convictions he was held in high esteem not only by the political party to

Hon. Mr. CLORAN.

which he belonged, but by those who differed from him. His death makes a breach in those old associations of this Chamber which will be felt and mourned by those who for so many years enjoyed his friendship and his confidence.

The Senate will join with his family in mourning the loss of one whose presence in this Chamber we very much valued.

Hon. Mr. BOSTOCK—I wish to express the feeling of the hon. members of this side of the House with regard to the loss of the late Senator McMillan. We join in the kind words which have been uttered by the hon. leader of the Government in this House in reference to him. We recognized in Senator McMillan a man of broad views, who took great interest in the affairs of the country, and, although he did not often join in the debates of late years, since I have been a member of this body, he was prominent on the committees, and made his weight felt on various occasions. As has been said by my hon. friend, he was a man of strong views and opinions; at the same time he was so broad-minded that he was open to conviction. We regret very much his loss and sympathize with his family in the bereavement which they have suffered.

H.R.H. TERM OF OFFICE.

Hon. Mr. LOUGHEED—Before the House adjourns, I am requested by the Government to make the following statement:

In view of the urgent conditions confronting Canada in common with the rest of the empire by reason of the outbreak of war the Government consider it highly important that His Royal Highness, Field Marshal, The Duke of Connaught, should continue to give to Canada the benefit of his services as Governor General. (Hear, hear.) His knowledge of conditions in Canada and his wide experience in public and military affairs render his services especially valuable at this juncture. (Hear, hear.) It has accordingly been arranged, at the request of the Canadian Government with the full approval of His Majesty the King and the Imperial Government, that His Royal Highness's term of office shall be indefinitely extended during the continuance of the war. (Hear, hear.) His Royal Highness had made all arrangements to leave Canada at the conclusion of his extended term of office on the 22nd October, but with the high sense of duty which has always actuated him, he has placed himself at the dis-

posal of His Majesty for this purpose. (Applause.)

THE BUSINESS OF THE SESSION.

Hon. Mr. BOSTOCK—Before we adjourn, has the hon. leader of the Government any announcement that he can make as to the nature and the state of the business to be laid before us?

Hon. Mr. LOUGHEED—I cannot say when the Commons will give final passage to the legislation now before it, but the most important Bill that will come before us this session may possibly reach us tomorrow. There is every desire on the part of the Government to expedite the legislation in the Commons. I spoke to the Prime Minister on the subject this morning, and he assured me of his anxiety to do everything possible to keep the Senate engaged.

Hon. Mr. BOSTOCK—What is the nature of that particular Bill?

Hon. Mr. LOUGHEED—It is a Bill giving to the Government extraordinary powers during time of war. The Bill is a fairly lengthy one, containing many very important clauses embodying powers that are of a special character.

Hon. Mr. BELCOURT—Is there to be only one Bill?

Hon. Mr. LOUGHEED—No, there are four Bills, but the others might be regarded as financial Bills.

Hon. Mr. BELCOURT—Could not my hon. friend induce the Government to have those Bills which are not financial measures introduced in this House so that we might be doing something?

Hon. Mr. LOUGHEED—The Bill to which I allude came up in the Commons yesterday and was advanced as far as possible. That is, the Bill giving extraordinary powers to the Government of Canada during time of war. The other Bills are, I think I am safe in saying, of a financial character. One is dealing with the war appropriation. Another proposes amending the Dominion Notes Act, which is one particularly within the control of the Minister of Finance; and the other is a Bill entitled The Finance Act of 1914, which is of a financial character; so that there is only the one Bill, and that is in charge of the Minister of Jus-

tice, which is not of a financial nature, and that Bill has been advanced as far as can possibly be done up to the present.

Hon. Mr. CLORAN—As I understand, the Government is about to introduce a measure through the Finance Minister to revise the tariff under the Customs Act and the Excise Revenue. Will that be a separate Bill, or will it be included in the Bill giving to the Government extraordinary powers of administration? That will be a very important point. If the two Bills are separate, of course we can deal separately with them. I am prepared to give the Government every power at once, and every million of dollars that Canada can afford. In regard to the revision of the tariff under the Customs Act and the Excise Act, of course there might be room for difference of opinion; not as regards the war at all—there will be no question about that. As a Canadian I am prepared to vote all the money that Canada can afford or cannot afford, to bring this war to a happy issue. On behalf of the people I represent, I am prepared to give all power, extraordinary if you will. When it comes to a revision of the tariff, I hope the measure introduced by the Government will be in the interests of the people as well as of the funds that are required for the war. I simply throw out the suggestion that there may be room for a difference of opinion.

Hon. Mr. LOUGHEED—I would say to my hon. friend that if there should be a Bill amending the tariff, it would be a separate Bill.

Hon. Mr. CLORAN—That is all.

Hon. Mr. POWER—I should like to know if the hon. leader proposes that the House shall sit on Saturday.

Hon. Mr. LOUGHEED—The Prime Minister informed me this morning that he would ascertain the feelings of the Commons this afternoon as to their sitting on Saturday. I hope to be able to answer the hon. gentleman's question to-morrow.

Hon. Mr. POWER—If it is proposed to sit on Saturday the hon. gentleman would be wise to give notice to-day, so as to prevent himself from being headed off to-morrow.

Hon. Mr. LOUGHEED—I appreciate the suggestion of my hon. friend, and I shall give the necessary notice to suspend the rules so as to permit of our sitting on Sat-

urday. I might say that at present the impression of the Government is that we may get through the business of the session by Saturday.

The Senate adjourned until three o'clock to-morrow.

THE SENATE.

Friday, August 21, 1914.

The SPEAKER took the Chair at Three o'clock.

Prayers and routine proceedings.

THE BUSINESS OF THE SESSION.

Hon. Mr. LOUGHEED—The Prime Minister and the leader of the Opposition have just been in consultation with a view to deciding whether it is possible to conclude the business before Parliament by to-morrow night. There is a disposition on the part of a great number in the Commons that we should terminate our business to-morrow. As the leader of the Opposition is to inform the Prime Minister at 6 o'clock this evening whether that can be accomplished, with the leave of the House, I move that we adjourn until 8 o'clock this evening.

The motion was agreed to.

The Speaker took the Chair at 8 p.m.

THE FINANCE ACT, 1914, BILL.

FIRST, SECOND AND THIRD READINGS.

A message was received from the House of Commons, with Bill (4), an Act to Conserve the Commercial and Financial Interests of Canada.

The Bill was read the first time.

Hon. Mr. LOUGHEED moved the second reading of the Bill. He said: The main object of this Bill is to confirm the Orders in Council which have already been passed concerning the issue of Dominion notes. Clause 3 deals with this particular question. Clause 4 of the Bill empowers the Government to issue Dominion notes to the chartered banks in time of war upon their depositing securities that will be approved by the Treasury Board.

Subclause B of the Bill makes provision that the chartered banks may make payments in their own notes, instead of making payments in specie. This would make the bank note a legal tender during the war.

Hon. Mr. LOUGHEED.

Hon. Mr. CLORAN—Would the amount of the notes be limited?

Hon. Mr. LOUGHEED—Yes, the amount would be confined entirely to the right which the banks now have in issuing notes. It would not exceed their right of circulation.

Hon. Mr. McSWEENEY—Have they not that power now?

Hon. Mr. LOUGHEED—No. Any one tendering a bank note to the issuing bank is entitled to receive gold for it. A bank note is not legal tender.

Hon. Mr. BELCOURT—He is entitled to gold.

Hon. Mr. LOUGHEED—Yes. Paragraph C deals with excess circulation by banks. Hon. gentlemen will remember that we have made provision for an emergency circulation up to fifteen per cent during certain periods of the year, to provide for the movement of the crops. This subclause c permits of that emergency circulation during the period of war being issued throughout the remaining part of the year. Subclause d makes provision to suspend the redemption in gold of Dominion notes. That principle is already admitted in the Bill. Paragraph E gives authority to the Government to proclaim a moratorium. The other clauses of the Bill simply work out the principles which have been embodied in those sections to which I have referred.

Hon. Mr. BOSTOCK—The hon. gentleman did not say whether the Government think it will be necessary at the present time to deal with subclause E at all.

Hon. Mr. LOUGHEED—No, it is not the present intention of the Government to do so, but it has been thought by the best financial authorities in the Dominion that the Government should, in the event of contingencies arising necessitating the exercise of such power that the Government should be able to do so. It has been adopted already in France, Austria, Russia and Great Britain, and doubtless may be adopted by the other powers which are at war.

Hon. Mr. BELCOURT—I notice that the Bills are as printed in the House of Commons. I have the French version here. Are we to understand that Bill 4 as it is now before us is exactly as it was passed by the Commons?

Hon. Mr. LOUGHEED—That is what I understand.

Hon. Mr. BELCOURT—It is very important that we should know that.

Hon. Mr. LOUGHEED—I know nothing to the contrary. An amendment has been made in Bill 2.

Hon. Mr. KERR—By subclause C and clause 4, the time for acting under that authority is limited to a date which is very near at hand,—the last day of August.

Hon. Mr. LOUGHEED—The Bank Act then comes in, and provides for an emergency circulation beginning the first of September, so that this would practically complete the year.

Hon. Mr. KERR—Authority would be given under the clauses of the Bank Act for the issue to be made after the first of September.

Hon. Mr. LOUGHEED—That would permit banks to exercise that expansion from first of September up to the first of March.

Hon. Mr. YOUNG—Is the expansion the same—fifteen per cent?

Hon. Mr. LOUGHEED—Yes.

Hon. Mr. BELCOURT—I have just received a copy of the Bill from the House of Commons. I have no opportunity to compare them, but I presume it is the same as the Bill before us.

Hon. Mr. LOUGHEED—I have not been informed of any amendment which has been made, except in Bill 2, where a clause has been stricken out, but we can ascertain the facts when we compare it with the Bill which has been sent from the House of Commons.

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

THE WAR MEASURES ACT, 1914, BILL.

FIRST, SECOND AND THIRD READINGS.

A message was received from the House of Commons with Bill (2), An Act to confer certain powers upon the Governor in Council and to amend the Immigration Act.

The Bill was read the first time.

Hon. Mr. LOUGHEED moved the second reading of the Bill. He said: The intention of this Bill is to confer what I might term war-powers upon the Government of the day. Very fortunately, up to the present

time it has not been necessary for Canada to require such legislation; consequently, when the declaration of war was made between Great Britain and Germany, it was found that we were lacking in legislation necessary to meet the extraordinary contingency which had happened. The Government, therefore, in anticipation of a ratification of their acts at this session of Parliament, entered upon the necessary measures for the defence of the country, involving expenditure and otherwise, and the object of this Bill is not only to ratify that which has been done, but to vest in the Government of the day authority under Order in Council to adopt such measures as may be found necessary to meet the conditions which arise. The second clause of the Bill is a ratification of the acts already done. The third clause limits the operation of the sections to a period in which the country is in a state of war.

Hon. Mr. KERR—Would my hon. friend speak of the acts that are being confirmed, giving us any idea at all of what is covered by that? The language is pretty comprehensive as it is, giving it in blank.

Hon. Mr. LOUGHEED—It would be difficult to enumerate all the acts that have been done. They are those that would necessarily arise in the organization of the contingent which we propose sending to the seat of war.

Hon. Sir MACKENZIE BOWELL—Is not that all explained and declared in the papers laid before the Commons?

Hon. Mr. LOUGHEED—I have not perused those.

Hon. Sir MACKENZIE BOWELL—I think it is.

Hon. Mr. LOUGHEED—I am sorry I cannot give my hon. friend all the detailed information which he would desire.

Hon. Mr. CLORAN—Was it given in the House of Commons?

Hon. Mr. LOUGHEED—Oh yes.

Hon. Mr. CLORAN—It was?

Hon. Mr. LOUGHEED—Yes, it was given as appears in this Bill.

Hon. Mr. DAVIS—We have not had a chance to read the debates of the House of Commons. Is it necessary to go on with this now?

Hon. Mr. LOUGHEED—There was little or no debate upon the Bill. It was referred

to a special committee of the House, a very representative committee, and they adopted the Bill in its entirety with the exception of clause 12, which has been stricken out.

Hon. Mr. DAVIS—Clause 12 of the Bill we have before us?

Hon. Mr. LOUGHEED—Yes, this Bill No. 2. Other slight amendments have been made, but they are simply consequential amendments; for instance, in clause 6, in the second line, after the word 'make' the words 'from time to time' have been inserted; and in paragraph (e), after the word 'importation', the word 'production' has been inserted. In clause 9, the last six words have been stricken out, namely the words 'and the proceeding shall be summary'. The whole of clause 12 has been stricken out.

Hon. Mr. CLORAN—What does that say?

Hon. Mr. DAVIS—If it is stricken out we do not have to deal with it.

Hon. Mr. KERR—That is the habeas corpus clause.

Hon. Mr. LOUGHEED—Yes, and in clause 13 of the Bill after the word 'open' in the last line of the Bill, these words have been inserted, 'him under'; that is to say, it shall read 'any punishment imposed upon him under such prosecution before he is deported', and in the fifth line of that clause between the words 'shall', and 'undergo', the words, 'be liable to', are inserted, so that it reads, 'Shall be liable to undergo'.

Hon. Mr. CLORAN—It gives him a chance to get out.

Hon. Mr. LOUGHEED—These are the only amendments that are made to the Bill.

Hon. Mr. DAVIS—My hon. friend told the House that there was a committee of the House of Commons that dealt with this Bill. Could he tell us who the members of that committee were?

Hon. Mr. LOUGHEED—The Prime Minister and the Minister of Justice, representing the Government, with two other members whose names I forget, but Sir Wilfrid Laurier, Mr. Pugsley and Mr. A. K. Maclean were on the committee.

Hon. Mr. CLORAN—A happy family.

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

Hon. Mr. LOUGHEED.

Hon. Mr. POWER—I think that inasmuch as there are a number of amendments to make in several clauses, the House had better go into committee on the Bill and go through it in the regular way.

Hon. Mr. LOUGHEED—Then I move that the House resolve itself into a Committee of the Whole.

The motion was agreed to.

(In the Committee.)

On clause 11:

11. No person who is held for deportation under this Act or under any regulation made thereunder or is under arrest or detention as an alien enemy, or upon suspicion that he is an alien, or to prevent his departure from Canada, shall be released upon bail or otherwise discharged or tried, without the consent of the Minister of Justice.

Hon. Mr. KERR—This is really a suspension of the habeas corpus, is it not? It says 'or upon suspicion that he is an alien enemy,' etc.

Hon. Mr. LOUGHEED—He is not under arrest, he is simply held for deportation. I do not think it is in the public interest that an alien enemy should be able to avail himself of all the machinery of the courts as to deportation.

Hon. Mr. KERR—The clause says:

No person who is held for deportation under this Act or under any regulation made thereunder, or is under arrest or detention as an alien enemy.

How is he under arrest for that purpose? Somebody has lodged an information, a warrant has been issued, and he is there. Surely the man is entitled to some kind of trial. It strikes me that this clause is going pretty far. In places where feeling runs pretty high, where there is any particular religious embitterment arising out of any act that has been done in the country, any constable, no matter how lacking in intelligence he may be, has power under this clause to lodge an information and have a man arrested on the charge of being an alien enemy, and he has no chance whatever of being tried.

Hon. Mr. LOUGHEED—But his arrest is simply with a view to deporting him, and, furthermore, no injustice would be done, because an application can be made to the Minister of Justice. It simply requires the consent of the Minister of Justice before the court intervenes. We know that courts will intervene in matters of this kind, but

surely it is not unreasonable to say that the minister charged with the administration of justice in the Dominion, should first pronounce upon the fact as to whether there should be an intervention of that court.

Hon. Mr. CLORAN—I do not think there is any very strong provision against the liberty of the subject in this Bill. The present law is still stronger. An ordinary magistrate has power to deport any foreigner whatever who comes under the criminal law if he has not been living here longer than three, four or five years. This provision is milder than the present law. The safety of the country requires that this provision be passed and any man would receive as much justice at the hands of the Minister of Justice as at the hands of an ordinary magistrate.

The clause was adopted.

On clause 12:

12. Section 3 of the Immigration Act, chapter 27 of the statutes of 1910, is amended by adding thereto the following subsection:

2. No resident of Canada, whether he is a Canadian citizen or not, and whether he has a Canadian domicile or not, who leaves Canada to perform any military or other service for any country then at war with His Majesty, or for the purpose of aiding or abetting in any way His Majesty's enemies, shall be permitted to land in Canada, or remain therein, except with the permission of the minister. If any such person is also prosecuted for any offence of which he may have been guilty he shall undergo any punishment imposed upon such prosecution before he is deported.

The CHAIRMAN—There are some amendments made by the Commons to the printed Bill. In the second last line of the clause, the words 'he should undergo' have been changed and the following substituted:—'He shall be liable to undergo any punishment imposed upon him under such prosecution before he is deported.'

Hon. Mr. WATSON—What about the holdings of such a man?

Hon. Mr. LOUGHEED—The hon. gentleman means as to his interests in property.

Hon. Mr. WATSON—Supposing he is a homesteader or owns property?

Hon. Mr. LOUGHEED—I should judge that under the Bill the Government would have authority to make regulations forfeiting his right to again enter upon such homestead.

Hon. Mr. YOUNG—Why should he not lose his property?

Hon. Mr. WATSON—I think anybody who comes to Canada, lives here, and subsequently undertakes to go abroad to fight against His Majesty's subjects should have all his property in Canada forfeited.

Hon. Mr. LOUGHEED—That would not be unreasonable.

Hon. Mr. CLORAN—That clause is not drastic enough by any means. Any person in Canada, Canadian citizen or otherwise, who leaves the country to enlist in the German army, and help Germany against the armies of Britain and her allies, should not be allowed to return to Canada. If he should return he should be shot and any property he might have in Canada should be confiscated. The Government is too lenient. I think the country will back me up in that proposition.

Hon. Mr. McKAY (Cape Breton)—This Bill provides for all that in the last clause,

Hon. Mr. DAVIS—That does not say anything about confiscation of property.

Hon. Mr. CLORAN—That does not say he should be shot.

Hon. Mr. WATSON—I think the Government should go farther in this legislation. The Government is now providing that an alien who leaves this country to fight for Germany should not be allowed to land in Canada. I think the Government should keep a strict supervision over these people in Canada, and any man who expresses himself as hostile to Great Britain in this war should have his property confiscated.

An hon. GENTLEMAN—Oh, no.

Hon. Sir LYMAN MELVIN JONES—In case a man left the country and his wife and family remained here, what position would they occupy? Perhaps they would be very much opposed to his leaving. What would become of them?

Hon. Mr. DAVIS—We have not to look after the families of people who leave the country to join the armies of nations warring with great Britain. I say their property should be confiscated.

Hon. Mr. LOUGHEED—Under clause 6, sufficiently wide powers are given to the Governor in Council to pass regulations with the force of law, if it was thought desirable.

Hon. Mr. YOUNG—Where does the hon. leader find provision in any clause which will give the Government that power?

Hon. Mr. LOUGHEED—Clause 6 reads:

6. The Governor in Council shall have power to do and authorize such acts and things and to make such orders and regulations as he may by reason of the existence of real or apprehended war, invasion or insurrection deem necessary or advisable for the security, defence, peace, order and welfare of Canada.

Hon. Mr. DAVIS—That is enough.

Hon. Mr. CLORAN—It would be just as well to have the statement go out to the people of Canada, that any citizen leaving this country to participate in the war against England should not be permitted to return, under penalty of death, and that in the meantime his family will be deported, and his property confiscated. We are in this war to fight, and let us fight it to a finish, and under no conditions permit foreigners who leave to take up arms against the British Empire to return to Canada.

Hon. Mr. BOSTOCK—In reading clause 6, the hon. leader stopped at the words 'welfare of Canada,' and I think the words that follow rather restrict the interpretation he placed upon it.

Hon. Mr. LOUGHEED—Provision is made in the Act, that the enumeration of the powers under the subclauses a, b, c, etc., shall not restrict the general powers in the earlier portion of the clause. The clause continues:

And for greater certainty, but not so as to restrict the generality of the foregoing terms, it is hereby declared that the powers of the Governor in Council shall extend to all matters coming within the classes of subjects hereinafter enumerated.

Hon. Mr. KERR—Subclause 'f' makes provision for forfeiture.

The clause was adopted.

On clause 13:

13. Notwithstanding the provisions of section 8 of the Royal Northwest Mounted Police Act, Revised Statutes 1906, chapter 91, the Governor in Council may from time to time authorize the appointment of such number of constables, supernumerary constables, scouts and boys, in addition to the numbers limited by the said section, as he thinks necessary.

The CHAIRMAN—I should like to know what it is proposed to do under this clause. It gives unlimited power to the Governor in Council to increase the number of the Northwest Mounted Police.

Hon. Mr. LOUGHEED—It would be an emergency increase. In the four western

Hon. Mr. YOUNG.

provinces, Manitoba, Saskatchewan, Alberta and British Columbia, there are a great number of foreigners from those nations with which we are at war, and an emergency condition might arise necessitating the Government exercising a power of this kind. It will be exercised very sparingly, and only I would think during a state of war.

Hon. Mr. DAVIS—The Government has taken the responsibility of the whole proceeding.

The clause was adopted.

Hon. Mr. POWER, from the Committee, reported the Bill without amendment.

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

Hon. Mr. WATSON—I should like to ask the minister as to the expression 'scouts and boys.' Is that not intended for Boy Scouts?

Hon. Mr. LOUGHEED—No, boys I understand are enlisted in the Mounted Police as buglers.

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

THE WAR APPROPRIATION ACT, 1914, BILL.

FIRST, SECOND AND THIRD READINGS.

A message was received from the House of Commons with Bill No. 3, An Act for granting to His Majesty aid for Military and Naval Defence.

The Bill was read the first time.

Hon. Mr. LOUGHEED moved the second reading of the Bill. He said: The Government is asking for a vote considerably in excess of what present conditions will require to be expended. It is desirable to provide for contingencies, and it is thought desirable that the Government should have an amount at its command to meet whatever demands may be made upon it.

Hon. Mr. WATSON—Would the Government apply a portion of this fund to assist any of our own people at home, should such aid be required?

Hon. Mr. LOUGHEED—That is for defence?

Hon. Mr. WATSON—There may be stoppage of trade involving suffering by widows

and orphans, and other situations that I do not wish to discuss at length might arise. There might be need for expenditures of money in Alberta, for example.

Hon. Mr. LOUGHEED—There will be nothing to prevent the diversion of an amount of this appropriation for any object such as that.

Hon. Mr. WATSON—At home in Canada?

Hon. Mr. LOUGHEED—Yes.

Hon. Sir LYMAN MELVIN JONES—The only objection I have to this Bill is, I think the amount is too small. It might easily be that in six or seven months the Government might wish to use more money than this Bill gives them.

Hon. Mr. DAVIS—We will be back here before that.

Hon. Sir LYMAN MELVIN JONES—If the war does not end before then the House could not succeed very well in general legislation, and certainly I feel that the amount is smaller than it ought to be in the interests of Canada. We do not know what we shall need to do, and we want to do all we need to do, therefore I think the amount might have been one hundred million dollars.

Hon. Mr. POWER—This is one of the cases where we may be a little cautious in committing ourselves to general views. I should have no objection, as one member of the Senate, to the Government utilizing a portion of this money for the purpose of feeding and clothing wives and children of the men who have to go abroad, and who may be slain or wounded, or who are not in a position to do anything for their families; but I think at the present time, that is about as far as I should care to go. If certain wealthy corporations in this country have seen fit to get rid of a number of their employees—which has been the case as to two or three of those large corporations—I should not just at the present moment be disposed to say that Canada should undertake to support those who have been thrown out of employment.

Some hon. GENTLEMEN—Hear, hear.

Hon. Sir LYMAN MELVIN JONES—This Bill makes provision for the doing of all things which the hon. gentleman has mentioned. It will be noticed that it provides that the money may be used in—

(b) the conduct of naval and military operations in or beyond Canada;

(c) promoting the continuance of trade, industry and business communications whether by means of insurance or indemnity against war risk or otherwise; and

(d) the carrying out of any measures deemed necessary or advisable by the Governor in Council in consequence of the existence of a state of war.

The widest possible latitude is given to the Government for all the purposes that have been named. That is why I think the sum is within the limits of what it ought to be.

Hon. Mr. DAVIS—Surely the Government is in a better position than my hon. friend to know what money they want. There is no doubt this House will vote whatever the Government asks for.

Hon. Sir LYMAN MELVIN JONES—It is a free country and one likes to express his opinion; that is all.

The SPEAKER—This is a money Bill, and the House has no right to amend it.

Hon. Mr. CLORAN—We are not going to.

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

THE DOMINION NOTES ACT, 1914, BILL.

FIRST, SECOND AND THIRD READINGS.

A message was received from the House of Commons with Bill (5), an Act respecting Dominion Notes.

The Bill was read the first time.

Hon. Mr. LOUGHEED moved the second reading of the Bill.

Hon. Mr. BOSTOCK—Is there any explanation of this?

Hon. Mr. LOUGHEED—The object of the Bill is to increase the power to issue Dominion notes up to fifty millions instead of thirty millions. The limitation now is thirty millions. There must be behind that 25 per cent in gold. It is thought by the best financial authorities in the Dominion, by bankers and others, that the Dominion would be thoroughly justified, under present conditions, in extending that power to fifty millions. This will give us fifteen millions in the event of its being required.

Hon. Mr. McSWEENEY—That is, putting up five millions additional security in gold?

Hon. Mr. LOUGHEED—Yes.

The motion was agreed to, and the Bill passed through its final stages.

THE TARIFF BILL.

Hon. Mr. POWER—Perhaps the hon. leader of the House might tell us when he expects the other Bill, the Tariff Bill, up?

Hon. Mr. LOUGHEED—The Tariff Bill is being discussed in the House of Commons to-night, and there are expectations that it will reach its final stage, so that we may be able to prorogue to-morrow.

Hon. Mr. CLORAN—We will expect a discussion of the measure in this House.

Hon. Mr. LOUGHEED—Of course, hon. gentlemen will be at perfect liberty to discuss it when it comes before them. It is to be hoped that it will be introduced here to-morrow.

Hon. Mr. CLORAN—I think there are provisions in it that could be fairly discussed, for future purposes.

Hon. Mr. LOUGHEED—There is nothing to prevent a discussion.

Hon. Mr. BOSTOCK—Is that the only other legislation?

Hon. Mr. LOUGHEED—That is the only other legislation of which I am aware.

Hon. Mr. DERBYSHIRE—The Patriotic Bill?

Hon. Mr. LOUGHEED—There is a Bill to incorporate the Patriotic Fund Association.

The Senate adjourned until 10.30 a.m. to-morrow.

THE SENATE.

OTTAWA, Saturday, August 22, 1914.

The SPEAKER took the Chair at 10 a.m. Prayers and routine proceedings.

VACANCIES IN THE SENATE.

Hon. Mr. CLORAN—With the kind permission of the leader of the Government I would like to direct his attention to a condition of things affecting the Senate which has no precedent in the history of Canada. We all know that under the constitution the seat of a senator becomes vacant by the very fact of his absence during two consecu-

tive sessions. That is not debatable or disputable. Now we are in the fourth session of the 12th Parliament of Canada—unprovided for, unlooked for, but, I was going to say, not uncalled for. Many of our hon. colleagues are absent, forcibly absent because of ill health or absence from the country. Would that absence of a senator during this session count against him in case he was absent last session, or should he be absent next session and cause him to forfeit his seat? The point is a nice one, it is a difficult constitutional one, and I should like to have it settled now rather than leave it until later on when, in the course of party warfare, party strife, proceedings might be taken on the question which would not be advisable. This is the proper time for the Minister of Justice to ascertain what the status of a Senator will be after this session. It is only fair to our colleagues who are forcibly absent to give them fair warning of what may happen. Some have missed last session, and if this session counts their seats become vacant the day we prorogue. I am prepared to give fair-play to everybody. If this were a regular session there would be no remedy whatever; the seat would at once become vacant. All I am asking is that the rights of Senators shall not be impaired by this extra call of a session.

Hon. Mr. WATSON—An emergency session.

Hon. Mr. CLORAN—An emergency session, but all the same the fourth session of the twelfth Parliament. I do not expect the leader of the House to settle the matter at once. My opinion is that it will have to go much farther. My idea of the constitution from a legal point of view is that this session must count, and I go so far as to say that, to preserve the seat of Hon. Senator De Boucherville, the patriarch of the Senate, we must go to the Imperial Parliament. Supposing another session is called within fifty days, and these gentlemen do not attend, they are debarred. I would not like to have the seats of the Hon. Messrs. De Boucherville, Shehyn, Thompson and Domville, declared vacant. The hon. gentleman from Rothesay is a guest of the Emperor of Germany and cannot get here anyway. Or perhaps he is held as a hostage. The seats of five or six senators are in a similar condition. I simply call the attention of the leader of the Government to this fact, so that he may bring the matter before the Government and have it discussed, and see

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what can be done. I raise this point to settle it now, when parties are all at peace, during the time of the European war. In a year or two from the present time, when party strife is resumed again, an important issue may come up in this House, the decision of which may depend on one or two votes. There are a few senators under this ban of absence for two sessions. Then the question will be raised whether they should be allowed to vote. I want to avoid that condition of things. The Leader of the Government will join with me, I am sure, in saying that the matter is one worthy of consideration in view of results that may happen, and in view of the fact that senators are absent to-day, not of their own accord, but by reason of ill-health.

Hon. Mr. LOUGHEED—As the hon. gentleman has already intimated, the matter is entirely covered by the British North America Act; consequently, it is a subject about which we have nothing to say. I know of no reason why a distinction should be drawn between this session and any other session, so far as it has a bearing on the question my hon. friend has raised.

CUSTOMS TARIFF ACT AMENDMENT BILL.

FIRST, SECOND AND THIRD READINGS.

A message was received from the House of Commons with Bill 9, An Act to amend the Customs Tariff Act, 1907.

The Bill was read the first time.

Hon. Mr. LOUGHEED moved the second reading of the Bill. He said: It is a regrettable fact that this Bill was not even printed when it was introduced in the House of Commons and dealt with there. They dealt entirely with the subject as the schedules appear on the votes and proceedings of Friday last in the House of Commons. I understand those details have been distributed. On page 23 of the Votes and Proceedings of the House of Commons hon. gentlemen will find the schedules set out, and also in the debates of the House of Commons of Thursday last, page 30. I regret under the circumstances, therefore, that we have not the Bill printed, but all the information will be obtained from the Votes and Proceedings. The increased duty affects chiefly four particular articles, namely, coffee, sugar, spirits, cigars, and also the changes which necessarily take place in the excise tariff respecting those same articles. Approximately, it is thought

that the tax on coffee will realize the sum of \$500,000. The additional duty on sugar will realize five million dollars; upon spirits two and one-half million; upon cigars and cigarettes, two hundred thousand, and the excise duty on those same articles will realize \$6,600,000, in all about \$14,800,000. So that it is thought that approximately during the seven months we may rely upon an increase in duty exceeding \$7,000,000, which will be applicable to the deficit which we shall be called upon to meet.

Hon. Mr. BOSTOCK—The question is one that is entirely in the hands of the Government. They are responsible for adopting the measure they consider best in the interests of the country to meet the extraordinary circumstances of the present situation. I do not altogether approve of the way in which the Government propose to meet the necessities of the country, but it is for them to devise the measure to meet the emergency. The condition of the country to-day is very serious. The declaration of war has upset the trade and financial interests of the country in a way that is without precedent in this Dominion. Practically I may say the whole world is in a condition which probably has never existed up to the present time. We have already seen the cost of living increased, and I understand that the Government has taken steps to see that the prices of food are not necessarily raised. What the Government have done in this case will no doubt affect food prices throughout this country. One of the principal measures we should adopt in order to help the situation is to increase the food supply to as great an extent as possible. I hope the Government will do everything they can to increase the food supply of the Dominion. For many years we have been opening up this country, and developing it by improving transportation facilities in the interests of the whole country, but unfortunately the conditions that have arisen mean that immigration into this country will be very much curtailed. Not only that, but in order to do our share in helping in the defence of this country and of the empire, a large number of our people will probably be drawn away from the very necessary work of producing food. We have therefore to consider what is the best way to arrange for as large an increase as possible in the food supply of this country. The condition of things prevailing to-day also affect very materially a large number of the manufacturing interests of this

country. I hope that the Government will aid them in securing for Canada the manufacturing of lines that possibly have not hitherto been established in this country because of certain conditions which no longer exist. By doing all that can be done in that direction, I think we shall be accomplishing a great work, not only for Canada but also in the interest of the empire.

Hon. GENTLEMEN—Hear, hear.

Hon. Mr. CLORAN—I do not rise to oppose the Bill. War is war, and war measures must be taken, and we do not oppose the policy of the Government. But we reserve the right to criticise it at the moment, and later on to condemn it. When the Government was called upon to face the situation which exists to-day, it is the opinion of many in this country, and of myself in particular, that it should have aimed higher at gathering taxes for the war instead of loading the taxes on the wage-earner, the salaried clerk, and the ordinary citizen. What do I mean by that? This: that the men who draw thousands, tens of thousands, and hundreds of thousands of the country's wealth every year, should have been made to pay their share towards the defence of the country in which they are making their wealth. The Government should have seen to it that men who are drawing large dividends—rightly so, legitimately so—should pay their fair quota towards the defence of the empire, by putting a tax on their dividends—not a tax on their wealth, not a tax on their property, not a tax on their industry, but simply a slight tax on their emoluments and profits. Can any one deny that that is a fair proposition? We have banking institutions all over this land paying large dividends every year, anywhere from five to one hundred per cent some of them; we have insurance companies paying large dividends, anywhere from five to thirty and forty per cent; we have large railway companies bonused and subsidized by the Dominion Government paying as high as ten per cent, with bonuses on a tremendous capital; we have all kinds of institutions paying large dividends, and to whom do these dividends go? Do they go to the workman in the street earning \$1.50 or \$2 a day? Do they go to the man in the mill, whether it be a saw mill, a foundry, or an agricultural establishment? No, these dividends do not go to the wage-earners who get one, two, three or four dollars a day. Do they go to the salaried clerks, and shop girls

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throughout the Dominion of Canada? No. They go to the wealthy class. I have no objection to a man being wealthy, but what I say is this; the Government should have sought to get a piece of that wealth from the men who could afford it, instead of shouldering the tax on the poor working wage-earner, and salaried officer. We of the Liberal party are supporting the Conservatives in this move on account of national necessity; and if it were not for national necessity we would hear much more. The Minister of Finance and his Government have made a mistake in loading the tax of this war upon the shoulders of the poor, and they will hear more of this later on when the time, the propitious time, will come. I hold that reasonable tax should be levied say on dividends paid of eight, ten, twelve, and twenty per cent in all those institutions, which exist by Federal sanction. What would it be to put five or ten per cent on the dividends declared by such institutions? It would be so easy to declare; and so easy to bear. For instance the Canadian Pacific Railway Company on a capital of three or four hundred million dollars declares a dividend of ten per cent with a bonus. The Government should simply say: 'we want ten, twenty-five, fifty per cent of that dividend,' and the same with the banks, insurance companies and all other companies that come under Dominion charters or Dominion legislation. It would be the easiest matter in the world to collect that money; and who would feel it? Nobody. The rich should not object to contribute a few dollars during seven or eight months of the war to aid in the defence of the empire. But when you put a tax on sugar, the wealthy man with a small family may use a pound of sugar where the wage-earner and the working man uses five and ten pounds. Out of the five millions of revenue which the Minister of Finance expects to derive from the tax, ninety-five per cent will be paid by the poor working man. Is it fair to put five millions on those who are to-day furnishing the men who are going to the front, many of them leaving behind them their wives and children?

Some Hon. GENTLEMEN—Hear, hear.

Hon. Mr. CLORAN—Is it fair for the Government to-day to put a tax of five million dollars on the poor when they could as easily have got it out of wealthy corporations of this country? We vote for the budget, but we vote in spite of our common sense and sense of justice, but the

day will come when the people of Canada will demand an account from the Government that imposed that tax upon them unjustly and unfairly when they had other means and other resources at their command.

The motion was adopted and the Bill passed through its final stages.

INLAND REVENUE ACT AMENDMENT BILL.

FIRST, SECOND AND THIRD READINGS.

A message was received from the House of Commons with Bill (10), An Act to amend the Inland Revenue Act.

The Bill was read the first time.

Hon. Mr. LOUGHEED moved the second reading of the Bill. He said: This Bill is complementary of the Bill which has just been passed, and simply imposes the additional excise duties on the same articles.

The motion was adopted and the Bill passed its final stages.

THE NATURALIZATION LAWS.

Hon. Mr. BELCOURT—Would my hon. friend allow me to make a suggestion with reference to the Naturalization Act? I am informed that many who have been living in Canada for a number of years are not British subjects. Some of them are Frenchmen. I saw one of them this morning, who is engaged in very meritorious work, organizing a brigade of artillery of which he is to be placed in command. He is not yet a British subject, but I believe he must be in order to get the commission which will entitle him to take command of this brigade of guns, and he wants to become naturalized. I do not know whether it would be possible for my hon. friend to include in the Bill a provision which would make naturalization possible within a day or so. I am taking this case merely to illustrate the point, but it is by no means an isolated one; I believe there are quite a number of cases of that kind. The gentleman in question is to be given the rank of major, but he must become a British subject. Under the Act as it is at present, I think that could not be done within the time required. It takes a month. If that case can be met, I think it would cover a number of similar cases.

Hon. Mr. CLORAN—I wish to call the attention of the leader of the Government

to a fact which came to my notice yesterday afternoon that foreigners who have been earning a good living in Canada for a number of years, have returned to Austria and Germany respectively to take up arms against the British Empire, leaving their wives and children behind. While nobody can object to these men having gone, once they have gone they should be treated as enemies. When foreigners leave this country to go to Germany and Austria to take up arms against the British Empire, their wives and children are liable to become a burden on the community. This country should not in any way support those defenceless women and children, and I think a part of the fifty millions would be well spent in kindly and charitably deporting women and children of that kind to wherever they belong, and not leave them in Canada to become objects of charity, and to have our good money spent on them.

Hon. Mr. DENNIS—How would you do it?

Hon. Mr. CLORAN—Simply by buying their passage and putting them on board ship and sending them over.

Hon. Mr. DENNIS—Sending them where?

Hon. Mr. CLORAN—To their own country.

Hon. Mr. MURPHY—How would you get them there?

Hon. Mr. CLORAN—Buy the ticket and send them. We are not bound to look after the women and children of men who are fighting the British Empire.

An hon. MEMBER—Shoot them.

Hon. Mr. CLORAN—No, we will be more generous than the Germans, and send them home as comfortably as possible. Canada should not be called upon to spend a dollar on the support of these women and children. If the proposition is brought to the attention of the Minister of Justice, he will say that the money should not be spent in that direction. I understand that a large number of Austrians and Germans have abandoned their work in the mills, factories and mines, leaving their families to be taken care of by Canada. We should have regard to the old proverb, 'Charity begins at home.'

Hon. Mr. DANIEL—While I do not profess to know anything about the law in connection with the matter brought up by the hon. gentleman from Ottawa (Hon. Mr.

Belcourt), it appears to me it would not be necessary for a French citizen who becomes an officer in our army to be a naturalized British subject. Every man when he enters the army takes the oath of allegiance, and it appears to me that that would be sufficient.

Hon. Mr. BELCOURT—The gentleman in question has been advised that it would be necessary for him to be naturalized. Let me draw attention to subsection 3 of section 2 of chapter 44 of the Naturalization of Aliens Act. It is quite possible that under that subsection the Secretary of State could grant the certificate of naturalization in the case I have mentioned. The subsection reads as follows:

The grant of a certificate of naturalization to any such alien shall be in the absolute discretion of the Secretary of State of Canada, and he may, with or without assigning any reason, give or withhold the certificate as he thinks most conducive to the public good, and no appeal shall lie from his decision.

I have no doubt under this section a certificate could be granted, were it not for the preceding section, which reads as follows:

The residence required by this section is residence in Canada for not less than one year immediately preceding the application, and previous residence either in Canada or in some other part of His Majesty's dominions, for a period of four years within the last eight years before the application.

Possibly the Minister of Justice might be asked whether, under subsection three, the Secretary of State could grant the certificate in the case I have mentioned, and that would obviate the necessity for legislation.

Hon. Mr. POWER—Has the gentleman to whom my hon. friend refers not resided in the British dominions previously?

Hon. Mr. BELCOURT—I think he has, but not for a period of four years within the last eight years.

Hon. Mr. LOUGHEED—I shall mention the matter to the Minister of Justice.

Hon. Mr. CHOQUETTE—I should like to throw out a suggestion which emanates from the Westminster Gazette of recent date, which I think should be carried out here. It is that in face of the situation of the British Empire now, all the difficulties, in Ireland especially, have been apparently wiped out, but the paper suggests at the same time that they ought to disappear permanently, and there should be no delay in passing the Home Rule Bill, in order that

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all grievances between different citizens of the Empire should be entirely wiped out. The suggestion is a good one, and I hope it will be accepted over there. But the same thing could be adopted in this country. We have so far shown a united front. This country has done everything possible for the safety and defence of the empire, but there are also grievances here, and this is the proper time to remove them. It can be very easily done. This is neither the time nor the place to discuss these grievances, but I throw out the suggestion to the leader of the Government in this House and ask him to place it before his Prime Minister, and I will ask the Prime Minister of this country to call the attention of his friends, the Prime Ministers of Ontario and Manitoba, to endeavour to wipe out discrimination which causes grievances in those two provinces. It seems to me the time is opportune to carry out entirely the entente cordiale, and put all the citizens of this country on the same footing. We have seen the Czar promising his Polish and Jewish subjects full rights and liberty, and the Westminster Gazette repeats that statement and says that it will also be the proper time to remove every grievance which may divide the citizens of its own country. I throw out this suggestion with regard to Ontario and Manitoba, in order that those who, in matters of language, religion and education, are suffering, may be given the rights to which they are entitled, so that we may hear no more about their differences. The schools will be reopened very soon, and the regulations which infringe on the rights and privileges of the minority in those provinces should be abolished. I ask that the minority in those provinces be placed on the same footing as the minority in Quebec. You never hear in Quebec complaints of discrimination in matters of nationality, religion and education. The minority is receiving a full measure of justice according to the constitution. I ask my hon. friend to look at the article in the Westminster Gazette of recent date to which I have referred and consider whether the suggestion cannot be adopted here at the present time.

The motion was agreed to, and the House adjourned until 2.30 p.m.

SECOND SITTING.

The SPEAKER took the Chair at 2.30 p.m.
Routine proceeding.

THE SENATE DEBATES.

MOTION.

Hon. Mr. LOUGHEED moved that the Clerk of the Senate be authorized to pay the official reporters of the debates of the Senate the sum of \$1,000 for services inclusive of their staff for the five days' session of Parliament and for their travelling expenses. He said: We have a contract with the reporters for a lump sum of \$10,000 per session. This session being a very short one, we felt justified in saying to the reporters that there should be a very substantial reduction, and that they should be only paid for the services which they have rendered during those five days. They have incurred considerable disbursements in travelling and on account of their staff, and we have fixed the amount at \$1,000.

Hon. Mr. DANDURAND—Possibly some arrangement could be made to continue the contract for next year. We generally make a contract at the end of the session for the following session. When the House prorogued last June we did not expect this short session to intervene. Could there be a word added to the report providing that a contract be made for next year?

Hon. Mr. LOUGHEED—I understand the reporters accept that as a contract for next year. There is no question about it in their mind.

The motion was agreed to.

NATURALIZATION ACT, 1914, AMENDMENT BILL.

FIRST, SECOND AND THIRD READINGS.

A message was received from the House of Commons with Bill (8), An Act to amend the Naturalization Act, 1914.

The Bill was read the first time.

Hon. Mr. LOUGHEED moved the second reading. He said: The amendments to the Naturalization Act of the session of 1914 are brought about owing to the working out of the English Act. These amendments are for the purpose of bringing our Act into conformity with the English Act. They have made the same amendments there. The purport of the amendments is that the widows of aliens who were British subjects, and also married women who are British subjects and married to aliens, should enjoy a very much more favourable status than was provided in the Act. The amendments

are precisely in the language of the English Act.

Hon. Mr. BOSTOCK—Has the hon. leader had an opportunity to inquire into the matter referred to by the hon. gentleman from Ottawa?

Hon. Mr. LOUGHEED—I had not an opportunity of discussing it with the Minister of Justice, but I discussed it afterwards with the hon. gentleman from Ottawa, and I am bound to say that I think it is impracticable to legislate for one particular individual. He and I both agreed that possibly the Secretary of State might see a way for the exercise of the powers vested in him towards meeting the conditions which my hon. friend pointed out. The more desirable way is to take it up with the Secretary of State, and ascertain if this power cannot be exercised to the extent the hon. gentleman desires.

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

CANADIAN PATRIOTIC FUND BILL.

FIRST, SECOND AND THIRD READINGS.

A message was received from the House of Commons with Bill (7) An Act to incorporate the Canadian Patriotic Fund.

The Bill was read the first time.

Hon. Mr. LOUGHEED moved the second reading of the Bill. He said: The object of this Bill is to incorporate a number of gentlemen who have volunteered their services for the purpose of establishing a fund to be used in case of need for the wives, children and dependent relatives of officers and men resident in Canada who, during the present war, may be on active service with the naval and militia forces of the empire, and also with Great Britain's allies. The intention is that this corporation should administer whatever fund may be provided in the interests that I have mentioned. It is somewhat similar, I believe, in the framework of the Bill to the fund which was established at the time of the South African war. The gentlemen who are being incorporated, and whose names are set out in clause 2 of the Bill are of the most representative character, and I am satisfied that in the hands of these gentlemen this fund will be wisely administered.

Hon. Mr. DANIEL—I think the members of this Chamber will be very pleased indeed

to hear from the leader of the Government, if he is in a position to give the information, as to what measures have been taken, or are likely to be taken, to look after the welfare of the wives and families of the men who are going to the front. The patriotic fund is all right as far as it goes. It is a purely voluntary fund. It may be quite sufficient, or it may be insufficient to meet all the demands that are likely to be made upon it. What we ought to have is some undertaking from the Government that if the amount of funds voluntarily subscribed by the people generally should not be sufficient, they will be supplemented by the Government of this country in such a way that no wife or child of any departed soldier will suffer. I was in touch yesterday, in common with another member of this House, with about a dozen men who came from Prince Albert to join the Princess Patricia regiment here—as fine a body of young men as I ever saw in my life. Two of those men were leaving wives, and one or two children, one of the latter being very young indeed, and they were anxious to know in what position they were leaving their families, and what they could inform their wives they could depend on after they left. It is extremely important that that matter should be cleared up, and that the soldiers themselves and their families should know exactly what they have to look to. I do not know whether the leader of the Government is at present able to give that information, but would like to have any information he may have on that subject, so that these men, when they leave will go with the knowledge that their families will be absolutely looked after and protected.

Hon. Mr. LOUGHEED—I regret that I cannot give my hon. friend as definite information upon that subject as he would desire. This is largely a matter to be yet worked out. The generosity which has been expressed in the gifts of so many, and the amounts which have been promised for this purpose will, I think, establish a sufficiently large fund to meet the requirements pointed out by my hon. friend. I understand that in the Commons yesterday the Prime Minister intimated that if it was found necessary the Government would supplement this fund sufficiently to bring it up to such an amount as would meet the required purposes. Provision has already been made by the Government, not only as to the remuneration which will be paid to the troops leaving for the seat of war,

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but the civil servants who have enlisted will receive their salaries during their absence, the same as if they were performing their ordinary duties here. This, I understand, will extend to all branches of the Civil Service. I also understand that many of the large corporations, financial, commercial and otherwise, have proffered similar assistance to those of their employees who have joined the different regiments that are leaving for the seat of war. I therefore think I can assure my hon. friend that, with the spirit which is abroad throughout the Dominion, particularly touching this phase of the war, there need be no apprehension as to the families of those who are fighting the battles of the empire being left in destitution.

Hon. Mr. DANDURAND—I would like to add my quota of information to what has already been stated. During the South African war a fund was raised amounting to \$350,000. As you all know, there were but 3,000 men from Canada who left for South Africa.

Hon. Mr. DANIEL—5,000 altogether, I think.

Hon. Mr. CLORAN—No, 2,500.

Hon. Mr. DANDURAND—I thought there had been three contingents of 1,000 each, and there was the Strathcona Horse besides that, which would make 3,500 altogether, but I stand to be corrected; yet with that small number of men leaving, over a quarter of a million dollars was expended in support of the families that were left behind. In the present instance we will have 22,000 or 22,500 men leaving Canada for a term abroad. Besides these we will have our militia, which has been already called out to protect our public works. Besides that again, we will have to take care of the families of the reservists of Great Britain's allies—French, Belgian, Russian and Servian. The amount which will be needed to take care of a few thousand families that will be in need and that will draw from the funds gathered, will be considerable. At first some citizens of Montreal who were discussing the situation were under the impression that we would need to levy in voluntary subscriptions a million dollars; but my impression is now that we will have to double that amount throughout Canada, and it seems to me that municipalities all over will need to think of contributing to that fund. The amount which was gathered during the

South African war was not completely exhausted, and it is provided in this Bill that the amount which was unexpended may be transferred to the present fund. Some \$73,000 remains of the South African fund, and I believe that nothing will stand in the way of the transfer of that sum to the present fund.

Hon. Mr. JAFFRAY—That has been done.

Hon. Mr. DANDURAND—Hon. Mr. Jaffray tells me that at a meeting which was called yesterday a decision was arrived at to transfer that fund. Of course the public corporations are doing what they can to help the families of their employees who are leaving for the seat of war, by giving them their full pay, or a part of their regular pay. I know that they will also contribute to that fund. This morning I saw with pleasure that the Bank of Montreal had taken the lead, and subscribed over \$100,000. If every large banking institution follows at that gait, we may perhaps facilitate the gathering of two million dollars that will very likely be needed for this purpose.

Hon. Mr. DANIEL—I am very glad to hear the remarks of my hon. friend. I may say that at the time of the Boer war—and it appears as if the example was being followed to some extent now—there were a great many different funds collected in different parts of the country, all having the one object, but differing from one another, and hence the whole fund at the disposal of the country for the benefit of our troops at the front and their families was not under one control. If the people of this country who are interested in raising funds for the benefit of our troops and those dependent on them were all to unite in this one big patriotic fund, it would be very much better, and in that way none would be omitted; all would be looked after, and all treated in the same manner. I think this is very important, and I hope the idea will spread in this country, that in the different cities, municipalities and provinces, where funds are raised and given for this purpose, the main patriotic fund, for the incorporation of which this Bill is now before us, should concentrate all those funds, and in that way every one will be properly looked after and get what is right. That would be very much better than frittering away the money and the efforts of different municipalities throughout the country on different objects,

and for simply local purposes. It would be very much better to concentrate on this one big fund so that all may be treated alike, and all treated with justice, and more than justice.

Hon. Sir LYMAN MELVIN JONES—I understood the leader of the House to say that the earning power of those who are serving either at home or abroad will not be lessened under conditions we are looking forward to, as compared with their earning power in peace times. That, then, leaves the earning power of the heads of families equal to what it has been. An important question in the minds of some of the families of those who are preparing to go to the front or have gone, is whether the Government have made arrangements for the distribution, say monthly—not at greater intervals than that—at least, a substantial percentage of the earnings of the men, which will be forwarded to the families.

Hon. Mr. DANIEL—Hear, hear; that is the idea.

Hon. Mr. LOUGHEED—Of course my hon. friend will understand that I limit that entirely to those employed in the public service.

Hon. Sir LYMAN MELVIN JONES—The public service includes the man who has gone to fight for his country.

Hon. Mr. LOUGHEED—No, the Civil Service.

Hon. Sir LYMAN MELVIN JONES—Then if the families know, and if those who are probably giving families credit from month to month for supplies required by them know that the Government are giving them a substantial portion of the salary due to the bread-winner of the home, and that it will reach them monthly, it will immediately create a situation that will be very satisfactory and helpful.

Hon. Mr. McKAY (Cape Breton)—This fund will require a great deal of care, and I think it will be one that will be very difficult to administer. I have had some experience with relief funds, along the same lines; and when we consider such a large concern as this, and realize how difficult it will be to reach the different parties who will have claims upon this fund, the system for carrying out that distribution will have to be a very good system indeed, or it will soon miscarry. My hon. friend's remarks are in the right line. He strikes the nail

on the head. This is the proper time to discuss this matter, and to have a proper understanding. We propose to have some little information to communicate to the people when we reach our destinations. There should be a definite understanding that the Government of the country should work in harmony, or in conjunction with this organization in such a way that there shall be no miscarriage of the objects for which the fund is created. We can understand the condition that would arise throughout this country, where there are a great many families depending on the proceeds of this fund for the support of their children, if there should be any miscarriage. I most heartily endorse what has been said in this matter. I think my hon. friend who has just spoken has rather misunderstood the matter in regard to the public service. That referred principally to the men from the Civil Service who enlisted in the contingent, and not to all who went to the front.

Hon. Mr. CLORAN—My idea of the situation is similar to that of the Minister of War of Great Britain, Lord Kitchener, who, the other day, issued a proclamation to the people of Great Britain, and the empire at large, not to be too hasty in contributing to so called patriotic funds. He is a man who knows what he is talking about, and he advised the people of Great Britain and the empire to withhold these contributions until they would be required. That was issued in a declaration from the War Office. I think the Government of Canada, under present conditions, would do well to follow his advice. There is no immediate hurry to establish these funds. There may be a great necessity for these funds in one, two or three months hence. It is all very well for gentlemen of fortune, or ladies of leisure to collect funds at the present time, but they are not exactly required just yet. As Lord Kitchener says 'Reserve your money for the hard months that are coming.' That is the warning given to the people of Great Britain by the war officer, Lord Kitchener, and that warning I call to the attention of the leader of this House and the Government. It is not that I am opposed to any man contributing \$1 or \$100 to this fund, but let it be done at the proper time and place. I agree with the hon. gentleman from St. John (Hon. Mr. Daniel) that all these funds that are created in cities, towns and villages, and hamlets should be placed under the control of the Dominion Government, and, as he says, not be left to be frittered away here and there. If the

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people of this country in the cities, towns, villages, hamlets and concession roads, contribute money, that money should be under the control and supervision of responsible parties, responsible to the Dominion Government. The hon. member for St. John has made a suggestion, and I think the leader of the Government would be justified in placing before his colleagues in the Government this proposition: that all the moneys collected on patriotic grounds or otherwise, be placed in, I will not say one hand, but in the hands of a commission under Government control, so that the people will be sure that the money they give will go to the objects to which they contribute.

Hon. Mr. JAFFRAY—I think that the necessity for assistance already to some extent exists. It does not follow because the funds are collected now that they should be expended at once. I took an active part in the collection of funds at the time of the Fenian raid, and the South African war, and I think it can be said that there was never a single charge made against the committee which handled those funds that the funds were not properly applied. It would be too much to expect that you could keep up the tension which exists now, and I think now is the time to raise the funds and put them into shape, and nothing will give the people who go to the front so much confidence as to know that these funds are being raised, and that the people are prepared to see that the families of those who are going to the war are not neglected. In the Fenian raid every man who was earning wages in Toronto received from that fund five-eighths of the money he had earned for his family, and it worked out most admirably, and the funds were sufficient to meet all obligations. If there should be such a thing as an extended and prolonged war, these contributions will have to be renewed. These men who are going to the front are not going to fight for themselves but for us, and we have an obligation which we must discharge to the utmost of our ability. I do not think it is desirable that cold water should be thrown upon the present efforts. The greater the war the more urgent it is, and the better for the country that contributions should be given without delay.

Hon. Sir LYMAN MELVIN JONES—This Bill, when passed, will not necessarily merge into one control all the moneys contributed to the patriotic fund. Just as in

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

Order in Council authorizing advances to be made to the chartered banks upon securities to be approved by the minister, I continued this committee as an advisory committee upon securities. The committee consisted of the president of the Canadian Bankers' Association, as chairman, and the general managers of the three largest banks in Canada. I convened the committee at Montreal because it was very convenient to Ottawa, and I could be in touch with the situation by telephone from day to day. Since the announcement was made that banks were authorized to issue their own notes instead of Dominion notes and gold, and to make use of their excess circulation, and that the Dominion Government stood prepared to make advances to chartered banks upon the security of approved collateral, the banking situation in Canada has been normal, and up to date we have not issued any Dominion notes.

I should say further—and this will answer in part a question asked this afternoon by my hon. friend from Guysborough (Mr. Sinclair)—that, without assuming to interfere in any way with the banks' conduct of their business, I have asked the banks to exercise as liberal a policy as is consistent with the principles of sound banking towards the commercial community, and I have asked them not to hesitate to make use of the facilities afforded them by the Government through this arrangement. I have been asked as to the machinery that has been devised. The advisory committee that I have mentioned pass upon the security put forward in connection with an application. There is a certain order in which these securities are to be taken. There are Dominion and provincial guarantee securities and other high-class listed securities, bonds and stocks and commercial paper. I think it inadvisable to lay down a hard-and-fast rule, because the several banks carry on their business differently. While there may be a good deal of trouble in connection with the release and substitution from time to time of commercial paper, such paper may be quite as good as high-class bonds or other collateral. This committee of bankers pronounce upon these securities, subject to the final approval of the Minister of Finance. In this connection I should call the attention of the House to a provision of the Bank Act. I think it is section 135 which provides that the Dominion has a second charge, next only to the note issue, upon advances made to banks. So I do not think the question of security need give us very much concern.

What I desire to know is whether it is the intention of the Government that advances should be made upon guaranteed securities which have not been marketed, as for instance the guaranteed securities that were given to the Canadian Northern railway. It is stated in the press that, owing to existing circumstances, these have not been placed, and it was stated also in the press that that company had brought the matter under the notice of the Government and applied to them for relief in the matter. What I should like to know is whether this clause is designed, and is it the intention of the Government to give the relief sought in that way in respect of secur-

ities guaranteed by the Government but which have not yet been placed on the market. Can the company by simply passing them through a bank get cash from the Government which they could not otherwise obtain? Is it intended by placing these bonds in the hands of one of our own banks or some trust company, that these guaranteed bonds shall be in any way dealt with or advances made with respect to them under this clause? Is this clause designed to cover such a case as that? If so, the country should have been taken more into the confidence of the Government before the Bill was passed. The language I have spoken of is so general in its terms, that it may be described as a stepping round the corner by way of answering a direct question. Under the circumstances, I think it is well that we should know whether the Government in passing this Bill intended to enable them, through banks or otherwise, to legally cash these securities out of this fund.

Hon. Mr. LOUGHEED—The specific case mentioned by my hon. friend, of the Government having been approached for the purpose of assisting the Canadian Northern upon a deposit of securities guaranteed by the Dominion Government, is not a case that comes within the Act, inasmuch as the application was made, my hon. friend intimates, by the Canadian Northern. I am not aware that such an application was actually made, but my hon. friend intimates that it was. My answer to that is, that it would not come within the Bill, inasmuch as the Bill only makes provision for the tendering of the securities in question by the chartered banks, not by railway companies, or other corporations. It is quite manifest if a bank approaches the Dominion Government with a view to taking advantage of this section, that bank becomes primarily liable to the Dominion Government for any advances which may be made. Consequently, the Government has not only the securities which will be deposited for the advance, but will have the security of the bank itself. Now my hon. friend has put a hypothetical case, and I cannot therefore give him an answer. He asks if these particular securities should be tendered through the channel of the banks whether the Government will make an advance in Dominion notes. Inasmuch as the matter is entirely one of discretion with the minister, and the Treasury Board, it is manifest that I cannot give a reply to my hon. friend on a suppositious case

Each case will have to be dealt with as it arises. Each case will have to be dealt with on its own merits. Various factors will doubtless govern the Treasury Board as to whether these advances should be made—the necessity of such advances being made, the class of securities, the desirability of diverting a very large amount of Dominion notes with reference to one particular class of security—would of itself be a matter for serious consideration. All these factors enter into the exercise of the powers vested in the Government under clause 4, and I regret very much that I cannot give my hon. friend an absolutely decided answer upon the particular case which he has submitted.

Hon. Mr. KERR—I intended to broaden the suggestion a little because I understood from what appeared in the public press and what has been said in consequence of that, that the application had been made by the Canadian Northern Railway Company for assistance. The Government can tell us whether that is so or not. That was done prior to the framing of this Bill. The next question is, was this Bill framed as it is with a view to enabling this to be done, or so that it could be done if the bonds passed through the hands of the bank. It is quite true that all of that could be done. Then the question I want to know is whether that is a case that would come within the scope of this Act, and one on which the Government intend to make an advance.

The motion was agreed to.

PROROGATION.

At four o'clock p.m., His Royal Highness the Governor General proceeded in state to the Senate Chamber, and took his seat upon the Throne. The members of the Senate being assembled, His Royal Highness was pleased to command the attendance of the House of Commons, and that House being present, the following Bills were assented to, in His Majesty's name, by His Royal Highness the Governor General, viz:

An Act to conserve the Commercial and Financial interests of Canada.

An Act to confer certain powers upon the Governor in Council and to amend the Immigration Act.

An Act respecting Dominion notes.

An Act to amend the Customs Tariff, 1907.

An Act to amend the Inland Revenue Act.

An Act to amend the Naturalization Act.

An Act to incorporate the Canadian Patriotic Fund.

An Act for granting to His Majesty aid for military and naval defence.

To these Bills the Royal Assent was pronounced by the Clerk of the Senate in the following words:

In His Majesty's name, His Royal Highness the Governor General doth assent to these Bills.

After which His Royal Highness the Governor General was pleased to close the Fourth Session of the Twelfth Parliament of the Dominion of Canada with the following

SPEECH:

Honourable Gentlemen of the Senate:

Gentlemen of the House of Commons:

I thank you for the prompt and effective consideration which you have given to measures necessary for assuring the defence of the country, for conserving the interests of our people and for maintaining the integrity of the empire in the present emergency. It is my fervent hope and my confident anticipation that these measures will prove adequate in every way for the great purposes which they are designed to fulfil.

Gentlemen of the House of Commons:

I thank you in His Majesty's name for the liberal provision which you have made for the needs of the country in the grave conditions which have arisen through the outbreak of war.

Honourable Gentlemen of the Senate:

Gentlemen of the House of Commons:

In relieving you for the time being from the important and responsible duties to which you were summoned so suddenly and unexpectedly, I commend to the Divine protection the people of this Dominion in the firm trust that the future will continually grow brighter and that there will be a favourable and honourable issue from the war in which the empire is now involved.

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The following abbreviations are used: 1st R., 2nd R., 3rd R., 1st, 2nd and 3rd Readings; *, without remark or debate; Accts., Accounts; Adjn., Adjourned; Amt., Amendment; Amts., Amendments; B. Bill; B.C., British Columbia; Can., Canada or Canadian; Com., Committee; Co., Company; Consdn., Consideration; Cor., Correspondence; Dept., Department; Govt., Government; His Ex., His Excellency the Governor General; H. of C., House of Commons; Incorp., Incorporation; Inq., Inquiry; Man., Manitoba; Mess. Message; M., Motion; *m.*, moved; N.B., New Brunswick; N.W.T., North West Territories; N.S., Nova Scotia; Ont., Ontario; Parl., Parliament; P.E.I., Prince Edward Island; P O., Post Office; Ques., Question; R.A., Royal Assent; Rem., Remarks; Rep., Reported; Ret., Returned; Ry., Railway; Sel., Select; 6 m h., 6 months hoist; Withdn., Withdrawn.

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